

1.1 Senator moves to amend S.F. No. 2458 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 APPROPRIATIONS

1.5 Section 1. AGRICULTURE APPROPRIATIONS.

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

1.13	<u>APPROPRIATIONS</u>	
1.14	<u>Available for the Year</u>	
1.15	<u>Ending June 30</u>	
1.16	<u>2026</u>	<u>2027</u>

1.17 Sec. 2. DEPARTMENT OF AGRICULTURE

1.18	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>53,158,000</u>	<u>\$</u>	<u>53,476,000</u>
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1.19	<u>Appropriations by Fund</u>		
1.20		<u>2026</u>	<u>2027</u>
1.21	<u>General</u>	<u>52,759,000</u>	<u>53,077,000</u>
1.22	<u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

1.23 The amounts that may be spent for each
1.24 purpose are specified in the following
1.25 subdivisions.

1.26 Subd. 2. Protection Services

1.27	<u>Appropriations by Fund</u>		
1.28	<u>General</u>	<u>19,504,000</u>	<u>20,008,000</u>
1.29	Remediation	399,000	399,000

1.30 (a) \$399,000 the first year and \$399,000 the
1.31 second year are from the remediation fund for
1.32 administrative funding of the voluntary
1.33 cleanup program.

2.1 (b) \$639,000 the first year and \$639,000 the
2.2 second year are for the soil health financial
2.3 assistance program under Minnesota Statutes,
2.4 section 17.134. The commissioner may award
2.5 no more than \$50,000 of the appropriation
2.6 each year to a single recipient.
2.7 Notwithstanding Minnesota Statutes, section
2.8 16B.98, subdivision 14, the commissioner may
2.9 use up to 6.5 percent of this appropriation for
2.10 costs incurred to administer the program. Any
2.11 unencumbered balance does not cancel at the
2.12 end of the first year and is available in the
2.13 second year. Appropriations encumbered
2.14 under contract on or before June 30, 2027, for
2.15 soil health financial assistance grants are
2.16 available until June 30, 2029.

2.17 (c) \$225,000 the first year and \$225,000 the
2.18 second year are for compensation for
2.19 destroyed or crippled livestock under
2.20 Minnesota Statutes, section 3.737. If the
2.21 amount in the first year is insufficient, the
2.22 amount in the second year is available in the
2.23 first year. The commissioner may use up to
2.24 \$5,000 each year to reimburse expenses
2.25 incurred by university extension educators to
2.26 provide fair market values of destroyed or
2.27 crippled livestock. If the commissioner
2.28 receives federal funding to pay claims for
2.29 destroyed or crippled livestock, an equivalent
2.30 amount of this appropriation may be used to
2.31 reimburse nonlethal prevention methods
2.32 performed by federal wildlife services staff.

2.33 (d) \$205,000 the first year and \$205,000 the
2.34 second year are for compensation for crop
2.35 damage under Minnesota Statutes, section

3.1 3.7371. If the amount in the first year is
3.2 insufficient, the amount in the second year is
3.3 available in the first year. The commissioner
3.4 may use up to \$10,000 of the appropriation
3.5 each year to reimburse expenses incurred by
3.6 the commissioner or the commissioner's
3.7 approved agent to investigate and resolve
3.8 claims, as well as for costs associated with
3.9 training for approved agents. The
3.10 commissioner may use up to \$40,000 of the
3.11 appropriation each year to make grants to
3.12 producers for measures to protect stored crops
3.13 from elk damage. If the commissioner
3.14 determines that claims made under Minnesota
3.15 Statutes, section 3.737 or 3.7371, are
3.16 unusually high, amounts appropriated for
3.17 either program may be transferred to the
3.18 appropriation for the other program.

3.19 (e) \$825,000 the first year and \$825,000 the
3.20 second year are to replace capital equipment
3.21 in the Department of Agriculture's analytical
3.22 laboratory.

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

3.25 (g) \$150,000 the first year and \$150,000 the
3.26 second year are to coordinate climate-related
3.27 activities and services within the Department
3.28 of Agriculture and with counterparts in local,
3.29 state, and federal agencies and for a full-time
3.30 climate implementation coordinator. The
3.31 climate implementation coordinator must
3.32 coordinate efforts seeking federal funding for
3.33 Minnesota's agricultural climate adaptation
3.34 and mitigation efforts and develop strategic

4.1 partnerships with the private sector and
4.2 nongovernment organizations.

4.3 (h) \$351,000 the first year and \$351,000 the
4.4 second year are for additional meat and poultry
4.5 inspection services. The base for this
4.6 appropriation is \$450,000 in fiscal year 2028
4.7 and each year thereafter.

4.8 **Subd. 3. Agricultural Marketing and**
4.9 **Development**

21,551,000

21,301,000

4.10 (a) \$634,000 the first year and \$634,000 the
4.11 second year are for the continuation of the
4.12 dairy development and profitability
4.13 enhancement program, including dairy
4.14 profitability teams and dairy business planning
4.15 grants under Minnesota Statutes, section
4.16 32D.30.

4.17 (b) The commissioner may use funds
4.18 appropriated in this subdivision for annual
4.19 cost-share payments to resident farmers or
4.20 entities that sell, process, or package
4.21 agricultural products in this state for the costs
4.22 of organic certification. The commissioner
4.23 may allocate these funds for assistance to
4.24 persons transitioning from conventional to
4.25 organic agriculture.

4.26 (c) \$75,000 the first year and \$75,000 the
4.27 second year are for mental health outreach and
4.28 support to farmers, ranchers, and others in the
4.29 agricultural community and for farm safety
4.30 grant and outreach programs under Minnesota
4.31 Statutes, section 17.1195. Mental health
4.32 outreach and support may include a 24-hour
4.33 hotline, stigma reduction, and education.
4.34 Notwithstanding Minnesota Statutes, section
4.35 16A.28, any unencumbered balance does not

5.1 cancel at the end of fiscal year 2026 and is
5.2 available until June 30, 2027. The base for this
5.3 appropriation \$50,000 in fiscal year 2028 and
5.4 each year thereafter.

5.5 (d) \$16,682,000 the first year and \$16,432,000
5.6 the second year are for the agricultural growth,
5.7 research, and innovation program under
5.8 Minnesota Statutes, section 41A.12.

5.9 (e) Except as provided in paragraph (f), the
5.10 commissioner may allocate the appropriation
5.11 in paragraph (d) each year among the
5.12 following areas: facilitating the startup,
5.13 modernization, improvement, or expansion of
5.14 livestock operations, including beginning and
5.15 transitioning livestock operations with
5.16 preference given to robotic dairy-milking
5.17 equipment; assisting value-added agricultural
5.18 businesses to begin or expand, to access new
5.19 markets, or to diversify, including aquaponics
5.20 systems, with preference given to hemp fiber
5.21 processing equipment; facilitating the startup,
5.22 modernization, or expansion of other
5.23 beginning and transitioning farms, including
5.24 by providing loans under Minnesota Statutes,
5.25 section 41B.056; sustainable agriculture
5.26 on-farm research and demonstration; the
5.27 development or expansion of food hubs and
5.28 other alternative community-based food
5.29 distribution systems; enhancing renewable
5.30 energy infrastructure and use; crop research,
5.31 including basic and applied turf seed research;
5.32 Farm Business Management tuition assistance;
5.33 and good agricultural practices and good
5.34 handling practices certification assistance.
5.35 Notwithstanding Minnesota Statutes, section

6.1 16B.98, subdivision 14, the commissioner may
6.2 use up to 6.5 percent of the appropriation in
6.3 paragraph (g) for costs incurred to administer
6.4 the program.

6.5 (f) Of the amount appropriated for the
6.6 agricultural growth, research, and innovation
6.7 program under Minnesota Statutes, section
6.8 41A.12:

6.9 (1) \$1,000,000 the first year and \$1,000,000
6.10 the second year are for distribution in equal
6.11 amounts to each of the state's county fairs to
6.12 preserve and promote Minnesota agriculture;

6.13 (2) \$2,750,000 the first year and \$2,750,000
6.14 the second year are for incentive payments
6.15 under Minnesota Statutes, sections 41A.16,
6.16 41A.17, 41A.18, and 41A.20. If this
6.17 appropriation exceeds the total amount for
6.18 which all producers are eligible in a fiscal
6.19 year, the balance of the appropriation is
6.20 available for other purposes under this
6.21 paragraph;

6.22 (3) \$2,750,000 the first year and \$2,750,000
6.23 the second year are for grants that enable retail
6.24 petroleum dispensers, fuel storage tanks, and
6.25 other equipment to dispense biofuels to the
6.26 public in accordance with the biofuel
6.27 replacement goals established under
6.28 Minnesota Statutes, section 239.7911. A retail
6.29 petroleum dispenser selling petroleum for use
6.30 in spark ignition engines for vehicle model
6.31 years after 2000 is eligible for grant money
6.32 under this clause if the retail petroleum
6.33 dispenser has no more than 20 retail petroleum
6.34 dispensing sites and each site is located in
6.35 Minnesota. The grant money must be used to

7.1 replace or upgrade equipment that does not
7.2 have the ability to be certified for E25. A grant
7.3 award must not exceed 65 percent of the cost
7.4 of the appropriate technology. A grant award
7.5 must not exceed \$200,000 per station. The
7.6 commissioner must cooperate with biofuel
7.7 stakeholders in the implementation of the grant
7.8 program. The commissioner, in cooperation
7.9 with any economic or community development
7.10 financial institution and any other entity with
7.11 which the commissioner contracts, must
7.12 submit a report on the biofuels infrastructure
7.13 financial assistance program by January 15
7.14 each year to the chairs and ranking minority
7.15 members of the legislative committees and
7.16 divisions with jurisdiction over agriculture
7.17 policy and finance. The annual report must
7.18 include but not be limited to a summary of the
7.19 following metrics: (i) the number and types
7.20 of projects financed; (ii) the amount of dollars
7.21 leveraged or matched per project; (iii) the
7.22 geographic distribution of financed projects;
7.23 (iv) any market expansion associated with
7.24 upgraded infrastructure; (v) the demographics
7.25 of the areas served; (vi) the costs of the
7.26 program; and (vii) the number of grants to
7.27 minority-owned or female-owned businesses;
7.28 (4) \$250,000 the first year and \$250,000 the
7.29 second year are for grants to facilitate the
7.30 startup, modernization, or expansion of meat,
7.31 poultry, egg, and milk processing facilities. A
7.32 grant award under this clause must not exceed
7.33 \$200,000;
7.34 (5) \$1,444,000 the first year and \$1,444,000
7.35 the second year are for providing more fruits,

8.1 vegetables, meat, poultry, grain, and dairy for
8.2 children in school and early childhood
8.3 education settings, including, at the
8.4 commissioner's discretion, providing grants
8.5 to reimburse schools and early childhood
8.6 education and child care providers for
8.7 purchasing equipment and agricultural
8.8 products. Of the amount appropriated,
8.9 \$150,000 each year is for a statewide
8.10 coordinator of farm-to-institution strategy and
8.11 programming. The coordinator must consult
8.12 with relevant stakeholders and provide
8.13 technical assistance and training for
8.14 participating farmers and eligible grant
8.15 recipients;

8.16 (6) \$1,200,000 the first year and \$1,200,000
8.17 the second year are for grants to facilitate the
8.18 development of urban agriculture, including
8.19 projects related to youth education, community
8.20 and economic development, value-added
8.21 processing, and vocational training;

8.22 (7) \$1,000,000 the first year and \$1,000,000
8.23 the second year are for the food retail
8.24 improvement and development program under
8.25 Minnesota Statutes, section 17.1017;

8.26 (8) \$200,000 the first year and \$200,000 the
8.27 second year are for cooperative development
8.28 grants under Minnesota Statutes, section
8.29 17.1016; and

8.30 (9) \$250,000 the first year is for the protecting
8.31 livestock grant program for producers to
8.32 support the installation of measures to prevent
8.33 the transmission of avian influenza. For the
8.34 appropriation in this clause, a grant applicant
8.35 must document a cost-share of 20 percent. An

9.1 applicant's cost-share amount may be reduced
9.2 up to \$2,000 to cover time and labor costs.
9.3 Notwithstanding Minnesota Statutes, section
9.4 16B.98, subdivision 14, the commissioner may
9.5 use up to 6.5 percent of this appropriation for
9.6 administrative costs. This is a onetime
9.7 appropriation. Notwithstanding Minnesota
9.8 Statutes, section 16A.28, this appropriation
9.9 does not cancel at the end of the first year and
9.10 is available in the second year.

9.11 (g) Notwithstanding Minnesota Statutes,
9.12 section 16A.28, the appropriation in paragraph
9.13 (d) does not cancel at the end of the second
9.14 year and is available until June 30, 2029.

9.15 Appropriations encumbered under contract on
9.16 or before June 30, 2029, for agricultural
9.17 growth, research, and innovation grants are
9.18 available until June 30, 2032.

9.19 **Subd. 4. Administration and Financial**
9.20 **Assistance**

12,004,000

12,068,000

9.21 (a) \$474,000 the first year and \$474,000 the
9.22 second year are for payments to county and
9.23 district agricultural societies and associations
9.24 under Minnesota Statutes, section 38.02,
9.25 subdivision 1. Aid payments to county and
9.26 district agricultural societies and associations
9.27 must be disbursed no later than July 15 each
9.28 year. These payments are the amount of aid
9.29 from the state for an annual fair held in the
9.30 previous calendar year.

9.31 (b) \$300,000 the first year and \$300,000 the
9.32 second year are for grants to the Minnesota
9.33 Agricultural Education and Leadership
9.34 Council for programs of the council under
9.35 Minnesota Statutes, chapter 41D.

10.1 (c) \$2,000 the first year is for a grant to the
10.2 Minnesota State Poultry Association to
10.3 promote youth poultry programs in Minnesota.
10.4 This is a onetime appropriation.
10.5 Notwithstanding Minnesota Statutes, section
10.6 16A.28, any unencumbered balance does not
10.7 cancel at the end of the first year and is
10.8 available in the second year.

10.9 (d) \$18,000 the first year and \$18,000 the
10.10 second year are for grants to the Minnesota
10.11 Livestock Breeders Association. This is a
10.12 onetime appropriation.

10.13 (e) \$30,000 the first year and \$30,000 the
10.14 second year are for grants to the Northern
10.15 Crops Institute that may be used to purchase
10.16 equipment. This is a onetime appropriation.

10.17 (f) \$35,000 the first year and \$35,000 the
10.18 second year are for grants to the Minnesota
10.19 State Horticultural Society. This is a onetime
10.20 appropriation.

10.21 (g) \$25,000 the first year and \$25,000 the
10.22 second year are for grants to the Center for
10.23 Rural Policy and Development. This is a
10.24 onetime appropriation.

10.25 (h) \$40,000 the first year and \$40,000 the
10.26 second year are appropriated from the general
10.27 fund to the commissioner of agriculture for
10.28 grants to the Minnesota Turf Seed Council for
10.29 basic and applied research on:

10.30 (1) the improved production of forage and turf
10.31 seed related to new and improved varieties;
10.32 and

11.1 (2) native plants, including plant breeding,
11.2 nutrient management, pest management,
11.3 disease management, yield, and viability.

11.4 The Minnesota Turf Seed Council may
11.5 subcontract with a qualified third party for
11.6 some or all of the basic or applied research.

11.7 Any unencumbered balance does not cancel
11.8 at the end of the first year and is available in
11.9 the second year. The Minnesota Turf Seed
11.10 Council must prepare a report outlining the
11.11 use of the grant money and related
11.12 accomplishments. No later than January 15,
11.13 2025, the council must submit the report to
11.14 the chairs and ranking minority members of
11.15 the legislative committees and divisions with
11.16 jurisdiction over agriculture finance and
11.17 policy. This is a onetime appropriation.

11.18 (i) \$50,000 the first year and \$50,000 the
11.19 second year are for grants to GreenSeam for
11.20 assistance to agriculture-related businesses to
11.21 support business retention and development,
11.22 business attraction and creation, talent
11.23 development and attraction, and regional
11.24 branding and promotion. These are onetime
11.25 appropriations. No later than December 1,
11.26 2026, and December 1, 2027, GreenSeam
11.27 must report to the chairs and ranking minority
11.28 members of the legislative committees with
11.29 jurisdiction over agriculture and rural
11.30 development with information on new and
11.31 existing businesses supported, number of new
11.32 jobs created in the region, new educational
11.33 partnerships and programs supported, and
11.34 regional branding and promotional efforts.

12.1 (j) \$1,000,000 the first year and \$1,000,000
12.2 the second year are to award and administer
12.3 farm down payment assistance grants under
12.4 Minnesota Statutes, section 17.133, with
12.5 priority given to eligible applicants with no
12.6 more than \$100,000 in annual gross farm
12.7 product sales and eligible applicants who are
12.8 producers of industrial hemp, cannabis, or one
12.9 or more of the following specialty crops as
12.10 defined by the United States Department of
12.11 Agriculture for purposes of the specialty crop
12.12 block grant program: fruits and vegetables,
12.13 tree nuts, dried fruits, medicinal plants,
12.14 culinary herbs and spices, horticulture crops,
12.15 floriculture crops, and nursery crops.
12.16 Notwithstanding Minnesota Statutes, section
12.17 16A.28, any unencumbered balance at the end
12.18 of the first year does not cancel and is
12.19 available in the second year and appropriations
12.20 encumbered under contract by June 30, 2027,
12.21 are available until June 30, 2029.

12.22 (k) \$1,700,000 the first year and \$1,700,000
12.23 the second year are for grants to Second
12.24 Harvest Heartland on behalf of Minnesota's
12.25 six Feeding America food banks for the
12.26 following purposes:

12.27 (1) at least \$850,000 each year must be
12.28 allocated to purchase milk for distribution to
12.29 Minnesota's food shelves and other charitable
12.30 organizations that are eligible to receive food
12.31 from the food banks. Milk purchased under
12.32 the grants must be acquired from Minnesota
12.33 milk processors and based on low-cost bids.
12.34 The milk must be allocated to each Feeding
12.35 America food bank serving Minnesota

13.1 according to the formula used in the
13.2 distribution of United States Department of
13.3 Agriculture commodities under The
13.4 Emergency Food Assistance Program. Second
13.5 Harvest Heartland may enter into contracts or
13.6 agreements with food banks for shared funding
13.7 or reimbursement of the direct purchase of
13.8 milk. Each food bank that receives funding
13.9 under this clause may use up to two percent
13.10 for administrative expenses. Notwithstanding
13.11 Minnesota Statutes, section 16A.28, any
13.12 unencumbered balance the first year does not
13.13 cancel and is available the second year;

13.14 (2) to compensate agricultural producers and
13.15 processors for costs incurred to harvest and
13.16 package for transfer surplus fruits, vegetables,
13.17 and other agricultural commodities that would
13.18 otherwise go unharvested, be discarded, or be
13.19 sold in a secondary market. Surplus
13.20 commodities must be distributed statewide to
13.21 food shelves and other charitable organizations
13.22 that are eligible to receive food from the food
13.23 banks. Surplus food acquired under this clause
13.24 must be from Minnesota producers and
13.25 processors. Second Harvest Heartland may
13.26 use up to 15 percent of each grant awarded
13.27 under this clause for administrative and
13.28 transportation expenses;

13.29 (3) to purchase and distribute protein products,
13.30 including but not limited to pork, poultry, beef,
13.31 dry legumes, cheese, and eggs to Minnesota's
13.32 food shelves and other charitable organizations
13.33 that are eligible to receive food from the food
13.34 banks. Second Harvest Heartland may use up
13.35 to two percent of each grant awarded under

14.1 this clause for administrative expenses. Protein
14.2 products purchased under the grants must be
14.3 acquired from Minnesota processors and
14.4 producers; and

14.5 (4) \$500,000 each year is to purchase produce
14.6 from The Good Acre. Second Harvest
14.7 Heartland may use up to two percent of
14.8 funding under this clause for administrative
14.9 expenses.

14.10 Second Harvest Heartland must submit
14.11 quarterly reports to the commissioner and the
14.12 chairs and ranking minority members of the
14.13 legislative committees with jurisdiction over
14.14 agriculture finance in the form prescribed by
14.15 the commissioner. The reports must include
14.16 but are not limited to information on the
14.17 expenditure of funds, the amount of milk or
14.18 other commodities purchased, and the
14.19 organizations to which this food was
14.20 distributed.

14.21 (l) \$260,000 the first year and \$260,000 the
14.22 second year are for a pass-through grant to
14.23 Region Five Development Commission to
14.24 provide, in collaboration with Farm Business
14.25 Management, statewide mental health
14.26 counseling support to Minnesota farm
14.27 operators, families, and employees, and
14.28 individuals who work with Minnesota farmers
14.29 in a professional capacity. Region Five
14.30 Development Commission may use up to 6.5
14.31 percent of the grant awarded under this
14.32 paragraph for administration.

14.33 (m) \$25,000 the first year and \$25,000 the
14.34 second year are for grants to the Southern
14.35 Minnesota Initiative Foundation to promote

15.1 local foods through an annual event that raises
15.2 public awareness of local foods and connects
15.3 local food producers and processors with
15.4 potential buyers.

15.5 (n) \$1,000,000 the first year and \$1,000,000
15.6 the second year are for the Emerging Farmers
15.7 Office to provide services to beginning and
15.8 emerging farmers to increase connections
15.9 between farmers and market opportunities
15.10 throughout the state. This appropriation may
15.11 be used for grants, translation services,
15.12 training programs, or other purposes in line
15.13 with the recommendations of the emerging
15.14 farmer working group established under
15.15 Minnesota Statutes, section 17.055,
15.16 subdivision 1.

15.17 (o) \$137,000 the first year and \$203,000 the
15.18 second year are to support current services.

15.19 (p) \$337,000 the first year and \$337,000 the
15.20 second year are for farm advocate services.
15.21 Of these amounts, \$50,000 the first year and
15.22 \$50,000 the second year are for the
15.23 continuation of the farmland transition
15.24 programs and may be used for grants to
15.25 farmland access teams to provide technical
15.26 assistance to potential beginning farmers.
15.27 Farmland access teams must assist existing
15.28 farmers and beginning farmers with
15.29 transitioning farm ownership and farm
15.30 operation. Services provided by teams may
15.31 include but are not limited to mediation
15.32 assistance, designing contracts, financial
15.33 planning, tax preparation, estate planning, and
15.34 housing assistance.

16.1 (q) \$250,000 the first year and \$250,000 the
 16.2 second year are for the local food purchasing
 16.3 assistance grant program under article 3,
 16.4 section 43.

16.5 (r) The commissioner shall continue to
 16.6 increase connections with ethnic minority and
 16.7 immigrant farmers to farming opportunities
 16.8 and farming programs throughout the state.

16.9 Sec. 3. **BOARD OF ANIMAL HEALTH** \$ 6,656,000 \$ 6,781,000
 16.10 \$246,000 the first year and \$371,000 the
 16.11 second year are to maintain the current level
 16.12 of service delivery. The base for this
 16.13 appropriation is \$371,000 in fiscal year 2028
 16.14 and each year thereafter.

16.15 Sec. 4. **AGRICULTURAL UTILIZATION**
 16.16 **RESEARCH INSTITUTE** \$ 4,388,000 \$ 4,434,000
 16.17 \$45,000 the first year and \$91,000 the second
 16.18 year are to maintain the current level of service
 16.19 delivery. The base for this appropriation is
 16.20 \$91,000 in fiscal year 2028 and each year
 16.21 thereafter.

16.22 Sec. 5. **TRANSFERS; ADMINISTRATION.**

16.23 Positions, salary money, and nonsalary administrative money may be transferred within
 16.24 the Department of Agriculture as the commissioner of agriculture considers necessary, with
 16.25 the advanced approval of the commissioner of management and budget. The commissioner
 16.26 of agriculture shall report to the chairs and ranking minority members of the legislative
 16.27 committees with jurisdiction over agriculture finance quarterly about the transfers made
 16.28 under this section.

16.29 Sec. 6. **TRANSFERS.**

16.30 (a) \$100,000 in fiscal year 2026 and \$100,000 in fiscal year 2027 are transferred from
 16.31 the general fund to the pollinator research account established under Minnesota Statutes,
 16.32 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) \$10,477,000 in fiscal year 2026 and \$10,477,000 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 Educational 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;

18.1 (6) \$200,000 in fiscal year 2026 and \$200,000 in fiscal year 2027 are for research on
18.2 natural strands of wild rice;

18.3 (7) \$250,000 in fiscal year 2026 and \$250,000 in fiscal year 2027 are for the cultivated
18.4 wild rice forward selection project at the North Central Research and Outreach Center,
18.5 including a tenure track or research associate plant scientist; and

18.6 (8) \$75,000 in fiscal year 2026 and \$75,000 in fiscal year 2027 are for grants to the
18.7 Southwest Minnesota State University Foundation to support the Minnesota Agriculture
18.8 and Rural Leadership program.

18.9 The transfer for the agriculture research, education, extension, and technology transfer
18.10 program is \$10,477,000 in fiscal year 2028 and each year thereafter.

18.11 (e) \$1,425,000 in fiscal year 2026 and \$1,425,000 in fiscal year 2027 are transferred
18.12 from the general fund to the agricultural and environmental revolving loan account
18.13 established under Minnesota Statutes, section 17.117, subdivision 5, for low-interest loans
18.14 under Minnesota Statutes, section 17.117. This transfer is \$1,425,000 in fiscal year 2028
18.15 and each year thereafter.

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

18.17 \$1,500,000 in fiscal year 2025 is transferred from the general fund to the agricultural
18.18 emergency account established under Minnesota Statutes, section 17.041.

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

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

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

18.24 (b) \$1,500,000 of the appropriation in fiscal year 2025 from the general fund for Dairy
18.25 Assistance, Investment, Relief Initiative (DAIRI) grants and other forms of financial
18.26 assistance to Minnesota dairy farms that enroll in coverage under a federal dairy risk
18.27 protection program and produced no more than 16,000,000 pounds of milk in 2022 under
18.28 Laws 2024, chapter 126, article 1, section 1, is canceled to the general fund by June 30,
18.29 2025.

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

19.1 Sec. 9. Laws 2023, chapter 43, article 1, section 2, subdivision 4, as amended by Laws
19.2 2024, chapter 126, article 1, section 1, subdivision 4, is amended to read:

19.3	Subd. 4. Agriculture, Bioenergy, and Bioproduct		38,159,000
19.4	Advancement	34,034,000	

19.5 (a) \$10,702,000 the first year and \$10,702,000
19.6 the second year are for the agriculture
19.7 research, education, extension, and technology
19.8 transfer program under Minnesota Statutes,
19.9 section 41A.14. Except as provided below,
19.10 the appropriation each year is for transfer to
19.11 the agriculture research, education, extension,
19.12 and technology transfer account under
19.13 Minnesota Statutes, section 41A.14,
19.14 subdivision 3, and the commissioner shall
19.15 transfer funds each year to the Board of
19.16 Regents of the University of Minnesota for
19.17 purposes of Minnesota Statutes, section
19.18 41A.14. To the extent practicable, money
19.19 expended under Minnesota Statutes, section
19.20 41A.14, subdivision 1, clauses (1) and (2),
19.21 must supplement and not supplant existing
19.22 sources and levels of funding. The
19.23 commissioner may use up to one percent of
19.24 this appropriation for costs incurred to
19.25 administer the program.

19.26 Of the amount appropriated for the agriculture
19.27 research, education, extension, and technology
19.28 transfer grant program under Minnesota
19.29 Statutes, section 41A.14:

19.30 (1) \$600,000 the first year and \$600,000 the
19.31 second year are for the Minnesota Agricultural
19.32 Experiment Station's agriculture rapid
19.33 response fund under Minnesota Statutes,
19.34 section 41A.14, subdivision 1, clause (2);

20.1 (2) up to \$1,000,000 the first year and up to
20.2 \$1,000,000 the second year are for research
20.3 on avian influenza, salmonella, and other
20.4 turkey-related diseases and disease prevention
20.5 measures;

20.6 (3) \$2,250,000 the first year and \$2,250,000
20.7 the second year are for grants to the Minnesota
20.8 Agricultural Education Leadership Council to
20.9 enhance agricultural education with priority
20.10 given to Farm Business Management
20.11 challenge grants;

20.12 (4) \$450,000 the first year is for the cultivated
20.13 wild rice breeding project at the North Central
20.14 Research and Outreach Center to include a
20.15 tenure track/research associate plant breeder;

20.16 (5) \$350,000 the first year and \$350,000 the
20.17 second year are for potato breeding;

20.18 (6) \$802,000 the first year and \$802,000 the
20.19 second year are to fund the Forever Green
20.20 Initiative and protect the state's natural
20.21 resources while increasing the efficiency,
20.22 profitability, and productivity of Minnesota
20.23 farmers by incorporating perennial and
20.24 winter-annual crops into existing agricultural
20.25 practices. The base for the allocation under
20.26 this clause is \$802,000 in fiscal year 2026 and
20.27 each year thereafter. By February 1 each year,
20.28 the dean of the College of Food, Agricultural
20.29 and Natural Resource Sciences must submit
20.30 a report to the chairs and ranking minority
20.31 members of the legislative committees with
20.32 jurisdiction over agriculture finance and policy
20.33 and higher education detailing uses of the
20.34 funds in this paragraph, including

21.1 administrative costs, and the achievements
21.2 these funds contributed to;

21.3 (7) \$350,000 each year is for farm-scale winter
21.4 greenhouse research and development
21.5 coordinated by University of Minnesota
21.6 Extension Regional Sustainable Development
21.7 Partnerships. The allocation in this clause is
21.8 onetime;

21.9 (8) \$200,000 the second year is for research
21.10 on natural stands of wild rice; and

21.11 (9) \$250,000 the second year is for the
21.12 cultivated wild rice forward selection project
21.13 at the North Central Research and Outreach
21.14 Center, including a tenure track or research
21.15 associate plant scientist.

21.16 (b) The base for the agriculture research,
21.17 education, extension, and technology transfer
21.18 program is \$10,352,000 in fiscal year 2026
21.19 and \$10,352,000 in fiscal year 2027.

21.20 (c) \$23,332,000 the first year is for the
21.21 agricultural growth, research, and innovation
21.22 program under Minnesota Statutes, section
21.23 41A.12. Except as provided below, the
21.24 commissioner may allocate this appropriation
21.25 among the following areas: facilitating the
21.26 start-up, modernization, improvement, or
21.27 expansion of livestock operations, including
21.28 beginning and transitioning livestock
21.29 operations with preference given to robotic
21.30 dairy-milking equipment; assisting
21.31 value-added agricultural businesses to begin
21.32 or expand, to access new markets, or to
21.33 diversify, including aquaponics systems, with
21.34 preference given to hemp fiber processing

22.1 equipment; facilitating the start-up,
22.2 modernization, or expansion of other
22.3 beginning and transitioning farms, including
22.4 by providing loans under Minnesota Statutes,
22.5 section 41B.056; sustainable agriculture
22.6 on-farm research and demonstration; the
22.7 development or expansion of food hubs and
22.8 other alternative community-based food
22.9 distribution systems; enhancing renewable
22.10 energy infrastructure and use; crop research,
22.11 including basic and applied turf seed research;
22.12 Farm Business Management tuition assistance;
22.13 and good agricultural practices and good
22.14 handling practices certification assistance. The
22.15 commissioner may use up to 6.5 percent of
22.16 this appropriation for costs incurred to
22.17 administer the program.

22.18 Of the amount appropriated for the agricultural
22.19 growth, research, and innovation program
22.20 under Minnesota Statutes, section 41A.12:

22.21 (1) \$1,000,000 the first year is for distribution
22.22 in equal amounts to each of the state's county
22.23 fairs to preserve and promote Minnesota
22.24 agriculture;

22.25 (2) \$5,750,000 the first year is for incentive
22.26 payments under Minnesota Statutes, sections
22.27 41A.16, 41A.17, 41A.18, and 41A.20.

22.28 Notwithstanding Minnesota Statutes, section
22.29 16A.28, the first year appropriation is
22.30 available until June 30, 2025. If this
22.31 appropriation exceeds the total amount for
22.32 which all producers are eligible in a fiscal
22.33 year, the balance of the appropriation is
22.34 available for other purposes under this
22.35 paragraph;

23.1 (3) \$3,375,000 the first year is for grants that
23.2 enable retail petroleum dispensers, fuel storage
23.3 tanks, and other equipment to dispense
23.4 biofuels to the public in accordance with the
23.5 biofuel replacement goals established under
23.6 Minnesota Statutes, section 239.7911. A retail
23.7 petroleum dispenser selling petroleum for use
23.8 in spark ignition engines for vehicle model
23.9 years after 2000 is eligible for grant money
23.10 under this clause if the retail petroleum
23.11 dispenser has no more than 10 retail petroleum
23.12 dispensing sites and each site is located in
23.13 Minnesota. The grant money must be used to
23.14 replace or upgrade equipment that does not
23.15 have the ability to be certified for E25. A grant
23.16 award must not exceed 65 percent of the cost
23.17 of the appropriate technology. A grant award
23.18 must not exceed \$200,000 per station. The
23.19 commissioner must cooperate with biofuel
23.20 stakeholders in the implementation of the grant
23.21 program. The commissioner, in cooperation
23.22 with any economic or community development
23.23 financial institution and any other entity with
23.24 which the commissioner contracts, must
23.25 submit a report on the biofuels infrastructure
23.26 financial assistance program by January 15 of
23.27 each year to the chairs and ranking minority
23.28 members of the legislative committees and
23.29 divisions with jurisdiction over agriculture
23.30 policy and finance. The annual report must
23.31 include but not be limited to a summary of the
23.32 following metrics: (i) the number and types
23.33 of projects financed; (ii) the amount of dollars
23.34 leveraged or matched per project; (iii) the
23.35 geographic distribution of financed projects;
23.36 (iv) any market expansion associated with

24.1 upgraded infrastructure; (v) the demographics
24.2 of the areas served; (vi) the costs of the
24.3 program; and (vii) the number of grants to
24.4 minority-owned or female-owned businesses;

24.5 (4) \$1,250,000 the first year is for grants to
24.6 facilitate the start-up, modernization, or
24.7 expansion of meat, poultry, egg, and milk
24.8 processing facilities. A grant award under this
24.9 clause must not exceed \$200,000. Any
24.10 unencumbered balance at the end of the second
24.11 year does not cancel until June 30, 2026, and
24.12 may be used for other purposes under this
24.13 paragraph;

24.14 (5) \$1,150,000 the first year is for providing
24.15 more fruits, vegetables, meat, poultry, grain,
24.16 and dairy for children in school and early
24.17 childhood education settings, including, at the
24.18 commissioner's discretion, providing grants
24.19 to reimburse schools and early childhood
24.20 education and child care providers for
24.21 purchasing equipment and agricultural
24.22 products. Organizations must participate in
24.23 the National School Lunch Program or the
24.24 Child and Adult Care Food Program to be
24.25 eligible. Of the amount appropriated, \$150,000
24.26 is for a statewide coordinator of
24.27 farm-to-institution strategy and programming.
24.28 The coordinator must consult with relevant
24.29 stakeholders and provide technical assistance
24.30 and training for participating farmers and
24.31 eligible grant recipients;

24.32 (6) \$2,000,000 the first year is for urban youth
24.33 agricultural education or urban agriculture
24.34 community development;

25.1 (7) \$1,000,000 the first year is for the good
25.2 food access program under Minnesota
25.3 Statutes, section 17.1017; and

25.4 (8) \$225,000 the first year is to provide grants
25.5 to secondary career and technical education
25.6 programs for the purpose of offering
25.7 instruction in meat cutting and butchery.

25.8 Notwithstanding Minnesota Statutes, section
25.9 16B.98, subdivision 14, the commissioner may
25.10 use up to 6.5 percent of this appropriation for
25.11 administrative costs. This is a onetime
25.12 appropriation. Grants may be used for costs,
25.13 including but not limited to:

25.14 (i) equipment required for a meat cutting
25.15 program;

25.16 (ii) facility renovation to accommodate meat
25.17 cutting; and

25.18 (iii) training faculty to teach the fundamentals
25.19 of meat processing.

25.20 A grant recipient may be awarded a grant of
25.21 up to \$75,000 and may use up to ten percent
25.22 of the grant for faculty training. Priority may
25.23 be given to applicants who are coordinating
25.24 with meat cutting and butchery programs at
25.25 Minnesota State Colleges and Universities
25.26 institutions or with local industry partners.

25.27 By January 15, 2025, the commissioner must
25.28 report to the chairs and ranking minority
25.29 members of the legislative committees with
25.30 jurisdiction over agriculture finance and
25.31 education finance by listing the grants made
25.32 under this paragraph by county and noting the
25.33 number and amount of grant requests not
25.34 fulfilled. The report may include additional

26.1 information as determined by the
26.2 commissioner, including but not limited to
26.3 information regarding the outcomes produced
26.4 by these grants. If additional grants are
26.5 awarded under this paragraph that were not
26.6 covered in the report due by January 15, 2025,
26.7 the commissioner must submit an additional
26.8 report to the chairs and ranking minority
26.9 members of the legislative committees with
26.10 jurisdiction over agriculture finance and
26.11 education finance regarding all grants issued
26.12 under this paragraph by November 1, 2025.

26.13 Notwithstanding Minnesota Statutes, section
26.14 16A.28, any unencumbered balance does not
26.15 cancel at the end of the first year and is
26.16 available for the second year, and
26.17 appropriations encumbered under contract on
26.18 or before June 30, 2025, for agricultural
26.19 growth, research, and innovation grants are
26.20 available until June 30, 2028.

26.21 (d) \$27,457,000 the second year is for the
26.22 agricultural growth, research, and innovation
26.23 program under Minnesota Statutes, section
26.24 41A.12. Except as provided below, the
26.25 commissioner may allocate this appropriation
26.26 among the following areas: facilitating the
26.27 start-up, modernization, improvement, or
26.28 expansion of livestock operations, including
26.29 beginning and transitioning livestock
26.30 operations with preference given to robotic
26.31 dairy-milking equipment; assisting
26.32 value-added agricultural businesses to begin
26.33 or expand, to access new markets, or to
26.34 diversify, including aquaponics systems, with
26.35 preference given to hemp fiber processing

27.1 equipment; facilitating the start-up,
27.2 modernization, or expansion of other
27.3 beginning and transitioning farms, including
27.4 by providing loans under Minnesota Statutes,
27.5 section 41B.056; sustainable agriculture
27.6 on-farm research and demonstration; the
27.7 development or expansion of food hubs and
27.8 other alternative community-based food
27.9 distribution systems; enhancing renewable
27.10 energy infrastructure and use; crop research,
27.11 including basic and applied turf seed research;
27.12 Farm Business Management tuition assistance;
27.13 and good agricultural practices and good
27.14 handling practices certification assistance. The
27.15 commissioner may use up to 6.5 percent of
27.16 this appropriation for costs incurred to
27.17 administer the program.

27.18 Of the amount appropriated for the agricultural
27.19 growth, research, and innovation program
27.20 under Minnesota Statutes, section 41A.12:

27.21 (1) \$1,000,000 the second year is for
27.22 distribution in equal amounts to each of the
27.23 state's county fairs to preserve and promote
27.24 Minnesota agriculture;

27.25 (2) \$5,750,000 the second year is for incentive
27.26 payments under Minnesota Statutes, sections
27.27 41A.16, 41A.17, 41A.18, and 41A.20.

27.28 Notwithstanding Minnesota Statutes, section
27.29 16A.28, this appropriation is available until
27.30 June 30, 2027. If this appropriation exceeds
27.31 the total amount for which all producers are
27.32 eligible in a fiscal year, the balance of the
27.33 appropriation is available for other purposes
27.34 under this paragraph. The base under this

28.1 clause is \$3,000,000 in fiscal year 2026 and
28.2 each year thereafter;

28.3 (3) \$3,375,000 the second year is for grants
28.4 that enable retail petroleum dispensers, fuel
28.5 storage tanks, and other equipment to dispense
28.6 biofuels to the public in accordance with the
28.7 biofuel replacement goals established under
28.8 Minnesota Statutes, section 239.7911. A retail
28.9 petroleum dispenser selling petroleum for use
28.10 in spark ignition engines for vehicle model
28.11 years after 2000 is eligible for grant money
28.12 under this clause if the retail petroleum
28.13 dispenser has no more than ten retail
28.14 petroleum dispensing sites and each site is
28.15 located in Minnesota. The grant money must
28.16 be used to replace or upgrade equipment that
28.17 does not have the ability to be certified for
28.18 E25. A grant award must not exceed 65
28.19 percent of the cost of the appropriate
28.20 technology. A grant award must not exceed
28.21 \$200,000 per station. The commissioner must
28.22 cooperate with biofuel stakeholders in the
28.23 implementation of the grant program. The
28.24 commissioner, in cooperation with any
28.25 economic or community development
28.26 financial institution and any other entity with
28.27 which the commissioner contracts, must
28.28 submit a report on the biofuels infrastructure
28.29 financial assistance program by January 15 of
28.30 each year to the chairs and ranking minority
28.31 members of the legislative committees and
28.32 divisions with jurisdiction over agriculture
28.33 policy and finance. The annual report must
28.34 include but not be limited to a summary of the
28.35 following metrics: (i) the number and types
28.36 of projects financed; (ii) the amount of money

29.1 leveraged or matched per project; (iii) the
29.2 geographic distribution of financed projects;
29.3 (iv) any market expansion associated with
29.4 upgraded infrastructure; (v) the demographics
29.5 of the areas served; (vi) the costs of the
29.6 program; and (vii) the number of grants to
29.7 minority-owned or female-owned businesses.
29.8 The base under this clause is \$3,000,000 for
29.9 fiscal year 2026 and each year thereafter;

29.10 (4) \$1,250,000 the second year is for grants
29.11 to facilitate the start-up, modernization, or
29.12 expansion of meat, poultry, egg, and milk
29.13 processing facilities. A grant award under this
29.14 clause must not exceed \$200,000. Any
29.15 unencumbered balance at the end of the second
29.16 year does not cancel until June 30, 2027, and
29.17 may be used for other purposes under this
29.18 paragraph. The base under this clause is
29.19 \$250,000 in fiscal year 2026 and each year
29.20 thereafter;

29.21 (5) \$1,275,000 the second year is for providing
29.22 more fruits, vegetables, meat, poultry, grain,
29.23 and dairy for children in school and early
29.24 childhood education settings, including, at the
29.25 commissioner's discretion, providing grants
29.26 to reimburse schools and early childhood
29.27 education and child care providers for
29.28 purchasing equipment and agricultural
29.29 products. Organizations must participate in
29.30 the National School Lunch Program or the
29.31 Child and Adult Care Food Program to be
29.32 eligible. Of the amount appropriated, \$150,000
29.33 is for a statewide coordinator of
29.34 farm-to-institution strategy and programming.
29.35 The coordinator must consult with relevant

30.1 stakeholders and provide technical assistance
30.2 and training for participating farmers and
30.3 eligible grant recipients. The base under this
30.4 clause is \$1,294,000 in fiscal year 2026 and
30.5 each year thereafter;

30.6 (6) \$4,000,000 the second year is for Dairy
30.7 Assistance, Investment, Relief Initiative
30.8 (DAIRI) grants and other forms of financial
30.9 assistance to Minnesota dairy farms that enroll
30.10 in coverage under a federal dairy risk
30.11 protection program and produced no more
30.12 than 16,000,000 pounds of milk in 2022. The
30.13 commissioner must make DAIRI payments
30.14 based on the amount of milk produced in
30.15 2022, up to 5,000,000 pounds per participating
30.16 farm, at a rate determined by the commissioner
30.17 within the limits of available funding. Any
30.18 unencumbered balance on June 30, 2026, may
30.19 be used for other purposes under this
30.20 paragraph. The allocation in this clause is
30.21 onetime;

30.22 (7) \$2,000,000 the second year is for urban
30.23 youth agricultural education or urban
30.24 agriculture community development;

30.25 (8) \$1,000,000 the second year is for the good
30.26 food access program under Minnesota
30.27 Statutes, section 17.1017; and

30.28 (9) \$225,000 the second year is for the
30.29 protecting livestock grant program for
30.30 producers to support the installation of
30.31 measures to prevent the transmission of avian
30.32 influenza. For the appropriation in this
30.33 paragraph, a grant applicant must document
30.34 a cost-share of 20 percent. An applicant's
30.35 cost-share amount may be reduced up to

31.1 \$2,000 to cover time and labor costs.

31.2 Notwithstanding Minnesota Statutes, section

31.3 16B.98, subdivision 14, the commissioner may

31.4 use up to 6.5 percent of this appropriation for

31.5 administrative costs. This appropriation is

31.6 available until June 30, 2027. This is a onetime

31.7 appropriation.

31.8 (e) Notwithstanding Minnesota Statutes,

31.9 section 16A.28, ~~this~~ the appropriation in

31.10 paragraph (d) does not cancel at the end of the

31.11 second year and is available until June 30,

31.12 2027. Appropriations encumbered under

31.13 contract on or before June 30, 2027, for

31.14 agricultural growth, research, and innovation

31.15 grants are available until June 30, 2030.

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

31.17 research, and innovation program is

31.18 \$17,582,000 in fiscal year 2026 and each year

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

31.20 cooperative development grants.

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

31.22 **ARTICLE 2**

31.23 **BROADBAND**

31.24 Section 1. **BROADBAND DEVELOPMENT APPROPRIATIONS.**

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

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

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

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

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

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

31.31 is fiscal years 2026 and 2027.

31.32	<u>APPROPRIATIONS</u>	
31.33	<u>Available for the Year</u>	
31.34	<u>Ending June 30</u>	
31.35	<u>2026</u>	<u>2027</u>

32.1

32.2

32.3

32.4

Sec. 2. **DEPARTMENT OF EMPLOYMENT**
AND ECONOMIC DEVELOPMENT \$ **1,001,000** \$ **1,001,000**

\$1,001,000 each year is for the Office of
Broadband Development.

32.5

32.6

ARTICLE 3

POLICY PROVISIONS

32.7

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

32.8

32.9

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

32.10

32.11

32.12

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.

32.13

32.14

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

32.15

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

32.16

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(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.

32.26

32.27

32.28

(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.

32.29

32.30

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

32.31

32.32

(g) "Food hub" means a centrally located facility with a business management structure
that facilitates the aggregation, storage, processing, distribution, marketing, and sale of

33.1 locally or regionally produced food products, and which may include a small-scale retail
33.2 grocery operation.

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

33.5 (h) "Food Retail Improvement and Development Program Advisory Committee" means
33.6 the Food Retail Improvement and Development Program Advisory Committee under section
33.7 17.1018.

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

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

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

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

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

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

33.32 (o) "Technical assistance" means needs-based project assistance provided through the
33.33 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 for the purposes of this section, and shall be used, to the extent practicable, to leverage other forms of public and private financing or financial assistance for the projects.

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

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

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

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

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

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

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

Subd. 5. **Eligible projects.** (a) The commissioner, in cooperation with the program partners and advisers, shall establish project eligibility guidelines and application processes 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,

37.1 whole grain-rich staple foods, meats, poultry, fish, seafood, and other proteins, consistent
37.2 with nutrition standards in national guidelines described in the current United States
37.3 Department of Agriculture Dietary Guidelines for Americans; and

37.4 (3) comply with all data collection and reporting requirements established by the
37.5 commissioner; and.

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

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

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

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

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

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

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

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

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

38.4 (1) site acquisition and preparation;

38.5 (2) predevelopment costs, including but not limited to feasibility studies, market studies,
 38.6 and appraisals;

38.7 (3) construction and build-out costs;

38.8 (4) equipment and furnishings;

38.9 (5) workforce or retailer training; and

38.10 (6) working capital.

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

38.17 (1) the number and types of projects financed;

38.18 (2) the amount of dollars leveraged or matched per project;

38.19 (3) the geographic distribution of financed projects;

38.20 (4) the number and types of technical assistance recipients;

38.21 ~~(5) any market or commodity expansion associated with increased access;~~

38.22 ~~(6)~~ (5) the demographics of the areas served;

38.23 ~~(7)~~ (6) the costs of the program;

38.24 ~~(8)~~ (7) the number of SNAP and WIC dollars spent;

38.25 ~~(9)~~ (8) any increase in retail square footage;

38.26 ~~(10)~~ (9) the number of loans or grants to ~~minority-owned or female-owned businesses~~
 38.27 businesses owned by women and Black, Indigenous, or Persons of Color; and

38.28 ~~(11)~~ (10) measurable economic and health outcomes, including, but not limited to,
 38.29 increases in sales and consumption of locally sourced and other fresh fruits and vegetables,

39.1 the number of construction and retail jobs retained or created, and any health initiatives
39.2 associated with the program.

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

39.4 **17.1018 ~~GOOD FOOD ACCESS~~ RETAIL IMPROVEMENT AND**
39.5 **DEVELOPMENT PROGRAM ADVISORY COMMITTEE.**

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

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

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

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

39.13 (1) the commissioners of health_; employment and economic development_; and ~~human~~
39.14 ~~services~~ children, youth, and families, or their respective designees;

39.15 (2) one person representing the grocery industry;

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

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

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

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

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

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

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

39.24 (10) one person representing public health experts;

39.25 (11) one person representing philanthropic foundations;

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

39.27 (13) one person representing the University of Minnesota Regional Sustainable
39.28 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;

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

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

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

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

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

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

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

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

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

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

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

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

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

41.2 Subd. 3. **Appropriations.** Up to ~~\$140,000,000~~ \$280,000,000 of the balance in the clean
41.3 water revolving fund in section 446A.07, as determined by the Public Facilities Authority,
41.4 is appropriated to the commissioner for the establishment of this program. In addition, the
41.5 commissioner may receive appropriations from the legislature and grants or funds from
41.6 other sources for implementation of the program.

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

41.8 Subdivision 1. **Establishment.** The commissioner may award a livestock investment
41.9 grant to ~~a person~~ an eligible applicant who raises livestock in this state equal to ~~ten percent~~
41.10 ~~of the first \$500,000 of qualifying expenditures, provided the person makes qualifying~~
41.11 ~~expenditures of at least \$4,000~~ 50 percent of the first \$20,000 of qualifying expenditures
41.12 and 20 percent of the next \$200,000 of qualifying expenditures. A project funded by a grant
41.13 under this program may continue for up to three years. The commissioner may award
41.14 multiple livestock investment grants to a person over the life of the program and shall give
41.15 preference to applicants who have not previously received a grant under this section.

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

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

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

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

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

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

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

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

41.31 (iii) livestock stream crossing stabilization; and

- 42.1 (iv) fences; or
- 42.2 (3) the acquisition of equipment for livestock housing, confinement, feeding, and waste
- 42.3 management including, but not limited to, the following:
- 42.4 (i) freestall barns;
- 42.5 (ii) watering facilities;
- 42.6 (iii) feed storage and handling equipment;
- 42.7 (iv) milking parlors;
- 42.8 (v) robotic equipment;
- 42.9 (vi) scales;
- 42.10 (vii) milk storage and cooling facilities;
- 42.11 (viii) bulk tanks;
- 42.12 (ix) computer hardware and software and associated equipment used to monitor the
- 42.13 productivity and feeding of livestock;
- 42.14 (x) manure pumping and storage facilities;
- 42.15 (xi) swine farrowing facilities;
- 42.16 (xii) swine and cattle finishing barns;
- 42.17 (xiii) calving facilities;
- 42.18 (xiv) digesters;
- 42.19 (xv) equipment used to produce energy;
- 42.20 (xvi) on-farm processing facilities equipment;
- 42.21 (xvii) fences, including but not limited to farmed Cervidae perimeter fences required
- 42.22 under section 35.155, subdivision 4; and
- 42.23 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.
- 42.24 Except for qualifying pasture development expenditures under clause (2), qualifying
- 42.25 expenditures only include amounts that are allowed to be capitalized and deducted under
- 42.26 either section 167 or 179 of the Internal Revenue Code in computing federal taxable income.
- 42.27 Qualifying expenditures do not include an amount paid to refinance existing debt.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 11. Minnesota Statutes 2024, section 32D.01, is amended by adding a subdivision to read:

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

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

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

Sec. 12. **[32D.31] MILK MARKETING LICENSE.**

Subdivision 1. **License requirement and eligibility.** A current milk marketing license is required for any milk marketer. Before a milk marketing license is issued, the commissioner must determine that the applicant meets the relevant licensing requirements.

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

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

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

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

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

Subd. 4. **Fees and penalties.** (a) The fee for a milk marketing license is calculated based on the value of milk procured or collected from December 1 through November 30 prior to the license expiration date as follows:

(1) \$100 for an initial license;

(2) \$100 annually for a license renewal for persons procuring or collecting 700,000 pounds of milk or less in the preceding 12 months; or

(3) \$250 annually for a license renewal for persons procuring or collecting more than 700,000 pounds of milk in the proceeding 12 months.

(b) The fee must be paid to the commissioner before the commissioner issues an initial or renewal license. If a person has not applied for a milk marketing license renewal before

January 1, a late fee of \$100 must be imposed. After January 1, 2026, any person who requires a milk marketing license and conducts activities subject to licensing within 365 days prior to obtaining a milk marketing license must pay a penalty of \$250 to receive the person's initial license.

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

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

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

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

(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.

47.1 Sec. 13. Minnesota Statutes 2024, section 35.155, subdivision 12, is amended to read:

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

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

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

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

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

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

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

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

47.24 Sec. 14. Minnesota Statutes 2024, section 41A.09, subdivision 2a, is amended to read:

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

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

47.31 (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.

Sec. 15. Minnesota Statutes 2024, section 41A.16, subdivision 7, is amended to read:

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

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

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

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

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

49.1 (f) Biobutanol is eligible under this section.

49.2 Sec. 16. Minnesota Statutes 2024, section 41A.30, subdivision 1, is amended to read:

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

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

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

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

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

49.9 (f) "Qualifying taxpayer" means a taxpayer, as defined in section 290.01, subdivision
49.10 6, that is engaged in the business of:

49.11 (1) producing sustainable aviation fuel; or

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

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

49.14 (1) is derived from:

49.15 (i) biomass, as defined in section 41A.15, subdivision 2e;

49.16 (ii) gaseous carbon oxides produced from biomass or direct air capture; or

49.17 (iii) green electrolytic hydrogen;

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

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

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

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

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

50.3 Sec. 17. Minnesota Statutes 2024, section 41B.039, subdivision 2, is amended to read:

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

50.10 Sec. 18. Minnesota Statutes 2024, section 41B.0391, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

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

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

- 51.1 (ii) provides the majority of the day-to-day physical labor and management of the farm;
- 51.2 (iii) has, by the judgment of the authority, adequate farming experience or demonstrates
- 51.3 knowledge in the type of farming for which the beginning farmer seeks assistance from the
- 51.4 authority;
- 51.5 (iv) demonstrates to the authority a profit potential by submitting projected earnings
- 51.6 statements;
- 51.7 (v) asserts to the satisfaction of the authority that farming will be a significant source
- 51.8 of income for the beginning farmer;
- 51.9 (vi) is enrolled in or has completed within ten years of their first year of farming a
- 51.10 financial management program approved by the authority or the commissioner of agriculture;
- 51.11 (vii) agrees to notify the authority if the beginning farmer no longer meets the eligibility
- 51.12 requirements within the three-year certification period, in which case the beginning farmer
- 51.13 is no longer eligible for credits under this section; and
- 51.14 (viii) has other qualifications as specified by the authority.

51.15 The authority may waive the requirement in item (vi) if the participant requests a waiver

51.16 and has a four-year degree in an agricultural program or related field, reasonable agricultural

51.17 job-related experience, or certification as an adult farm management instructor.

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

51.19 ~~subdivision 1.~~

51.20 ~~(e)~~ (d) "Family member" means a family member within the meaning of the Internal

51.21 Revenue Code, section 267(c)(4).

51.22 ~~(f)~~ (e) "Farm product" means plants and animals useful to humans and includes, but is

51.23 not limited to, forage and sod crops, oilseeds, grain and feed crops, dairy and dairy products,

51.24 poultry and poultry products, livestock, fruits, and vegetables.

51.25 ~~(g)~~ (f) "Farming" means the active use, management, and operation of real and personal

51.26 property for the production of a farm product.

51.27 (g) "Limited land access farmer" means a farmer experiencing limited land access as

51.28 defined in section 17.133, subdivision 1.

51.29 (h) "Owner of agricultural assets" means an individual, trust, or pass-through entity that

51.30 is the owner in fee of agricultural land or has legal title to any other agricultural asset. Owner

51.31 of agricultural assets does not mean an equipment dealer, livestock dealer defined in section

51.32 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.

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

Sec. 19. Minnesota Statutes 2024, section 41B.0391, subdivision 2, is amended to read:

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

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

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

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

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

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

53.1 Applications for credits allowed under paragraph (a), clauses (2) and (3), are due by July
53.2 1, 2025, and each year thereafter.

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

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

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

53.23 (1) the owner of the agricultural land; or

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

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

53.27 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
53.28 31, 2024.

53.29 Sec. 20. Minnesota Statutes 2024, section 41B.0391, subdivision 4, is amended to read:

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

53.31 (1) approve and certify or recertify beginning farmers as eligible for the program under
53.32 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. For credits under subdivision 2, the notification must include the amount of credit approved by the authority and stated on the credit certificate.

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

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

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

55.1 Sec. 21. Minnesota Statutes 2024, section 41B.0391, subdivision 6, is amended to read:

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

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

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

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

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

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

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

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

55.20 (6) data on the number of beginning farmers by geographic region in calendar years
55.21 2017 through 2023, including:

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

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

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

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

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

55.30 (2) the geographic distribution of credits;

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

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

EFFECTIVE DATE. This section is effective for reports due for credits issued for taxable years beginning after December 31, 2024.

Sec. 22. Minnesota Statutes 2024, section 41B.04, subdivision 8, is amended to read:

Subd. 8. **State participation.** With respect to loans that are eligible for restructuring under sections 41B.01 to 41B.23 and upon acceptance by the authority, the authority shall 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. 23. 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. 24. 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.

57.1 Sec. 25. Minnesota Statutes 2024, section 41B.045, subdivision 2, is amended to read:

57.2 Subd. 2. **Loan participation.** The authority may participate in a livestock expansion
57.3 and modernization loan with an eligible lender to a livestock farmer who meets the
57.4 requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively
57.5 engaged in a livestock operation. A prospective borrower must have a total net worth,
57.6 including assets and liabilities of the borrower's spouse and dependents, of less than
57.7 \$1,700,000 in 2017 and an amount in subsequent years which is adjusted for inflation by
57.8 multiplying that amount by the cumulative inflation rate as determined by the United States
57.9 All-Items Consumer Price Index.

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

57.14 Sec. 26. Minnesota Statutes 2024, section 41B.047, subdivision 3, is amended to read:

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

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

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

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

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

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

57.27 Sec. 27. Minnesota Statutes 2024, section 41B.056, subdivision 1, is amended to read:

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

58.1 Sec. 28. Minnesota Statutes 2024, section 41B.057, subdivision 1, is amended to read:

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

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

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

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

58.8 ~~(4)~~ (2) increase production of on-farm energy.

58.9 Sec. 29. Minnesota Statutes 2024, section 41B.057, subdivision 3, is amended to read:

58.10 Subd. 3. **Loan participation.** The authority may participate in a farm opportunity loan
58.11 with an eligible lender, as defined in section 41B.02, subdivision 8, to a farmer or a group
58.12 of farmers on joint projects who are eligible under subdivision 2, paragraph (c), and who
58.13 are actively engaged in farming. Participation is limited to 45 percent of the principal amount
58.14 of the loan or \$100,000 per individual, whichever is less. For loans to a group made up of
58.15 four or more individuals, participation is limited to 45 percent of the principal amount of
58.16 the loan or \$250,000, whichever is less. The interest rate on the loans must not exceed six
58.17 percent. A borrower must have a total net worth, including assets and liabilities of the
58.18 borrower's spouse and dependents, of less than \$1,700,000 in 2017 and an amount in
58.19 subsequent years that is adjusted for inflation by multiplying that amount by the cumulative
58.20 inflation rate as determined by the United States All-Items Consumer Price Index.

58.21 Sec. 30. Minnesota Statutes 2024, section 223.17, subdivision 3, is amended to read:

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

58.28 ~~(1) \$140 plus \$110 for each additional location for grain buyers whose gross annual~~
58.29 ~~purchases are less than \$100,000;~~

58.30 ~~(2) \$275 plus \$110 for each additional location for grain buyers whose gross annual~~
58.31 ~~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:~~

Bushel Capacity	Examination Fee
Examinations without a grain measure	\$ 100
Less than 150,001	\$ 300
150,001 to 250,000	\$ 425
250,001 to 500,000	\$ 545
500,001 to 750,000	\$ 700
750,001 to 1,000,000	\$ 865
1,000,001 to 1,200,000	\$ 1,040
1,200,001 to 1,500,000	\$ 1,205
1,500,001 to 2,000,000	\$ 1,380
More than 2,000,000	\$ 1,555

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

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

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

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

~~(e)~~ (f) 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.

~~(f)~~ (g) There is created the grain buyers and storage account in the agricultural fund. Money collected pursuant to sections 223.15 to 223.23 shall be paid into the state treasury and credited to the grain buyers and storage account. Money in the account, including

60.1 interest, is appropriated to the commissioner for the administration and enforcement of
60.2 sections 223.15 to 223.23.

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

60.4 Sec. 31. Minnesota Statutes 2024, section 232.22, subdivision 3, is amended to read:

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

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

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

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

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

	Bushel Capacity	Examination
		Fee
60.22	Less than 150,001	\$ 300
60.23		
60.24	150,001 to 250,000	\$ 425
60.25		
60.26	250,001 to 500,000	\$ 545
60.27		
60.28	500,001 to 750,000	\$ 700
60.29		
60.30	750,001 to 1,000,000	\$ 865
60.31		
60.32	1,000,001 to 1,200,000	\$ 1,040
	1,200,001 to 1,500,000	\$ 1,205
	1,500,001 to 2,000,000	\$ 1,380
	More than 2,000,000	\$ 1,555

61.1 ~~(3)~~ (2) the fee for supplemental examinations required by the commissioner under section
61.2 232.24 is ~~\$55~~ \$110 per hour per examiner.

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

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

61.6 Sec. 32. Minnesota Statutes 2024, section 239.761, subdivision 3, is amended to read:

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

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

61.13 (1) may blend the gasoline with agriculturally derived ethanol as provided in subdivision
61.14 4;

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

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

61.18 (4) shall not blend the gasoline with products commonly and commercially known as
61.19 casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural
61.20 gasoline; and

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

61.23 Sec. 33. Minnesota Statutes 2024, section 239.761, subdivision 4, is amended to read:

61.24 Subd. 4. **Gasoline blended with ethanol; general.** (a) Gasoline may be blended with
61.25 agriculturally derived, denatured ethanol that complies with the requirements of subdivision
61.26 5.

61.27 (b) A gasoline-ethanol blend must:

61.28 (1) comply with the volatility requirements in Code of Federal Regulations, title 40, part
61.29 1090;

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

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

62.7 Sec. 34. Minnesota Statutes 2024, section 239.761, subdivision 5, is amended to read:

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

62.12 Sec. 35. Minnesota Statutes 2024, section 239.761, subdivision 6, is amended to read:

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

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

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

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

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

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

62.23 (3) tertiary amyl methyl ether.

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

62.28 Sec. 36. Minnesota Statutes 2024, section 296A.01, subdivision 20, is amended to read:

62.29 Subd. 20. **Ethanol, denatured.** "Ethanol, denatured" means ethanol that is to be blended
62.30 with gasoline, has been agriculturally derived, and complies with ASTM specification

63.1 ~~D4806-11a~~ D4806-21a. This includes the requirement that ethanol may be denatured only
63.2 as specified in Code of Federal Regulations, title 27, parts 20 and 21.

63.3 Sec. 37. Minnesota Statutes 2024, section 296A.01, subdivision 23, is amended to read:

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

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

63.10 (2) any liquid prepared, advertised, offered for sale or sold for use as, or commonly and
63.11 commercially used as, a fuel in spark-ignition, internal combustion engines, and that when
63.12 tested by the Weights and Measures Division meets the specifications in ASTM specification
63.13 ~~D4814-11b~~ D4814-24a.

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

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

63.19 (1) may blend the gasoline with agriculturally derived ethanol, as provided in subdivision
63.20 24;

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

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

63.25 (4) must not blend the gasoline with products commonly and commercially known as
63.26 casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural
63.27 gasoline; and

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

64.1 Sec. 38. Minnesota Statutes 2024, section 296A.01, subdivision 24, is amended to read:

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

64.8 Sec. 39. **[343.256] ELECTIVE DECLAWING PROHIBITED.**

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

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

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

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

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

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

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

64.28 Sec. 40. **LOCAL FOOD PURCHASING ASSISTANCE GRANT PROGRAM.**

64.29 (a) The commissioner may award grants to eligible applicants to purchase and distribute
64.30 food at no cost to Minnesotans experiencing food insecurity. When awarding grants, the
64.31 commissioner must give preference to applicants that:

- 65.1 (1) source 100 percent of food from Minnesota;
- 65.2 (2) source at least 70 percent of food from farmers who are experiencing limited land
- 65.3 access or limited market access as defined in Minnesota Statutes, section 17.133, subdivision
- 65.4 1; and
- 65.5 (3) demonstrate strong connections to individuals whose needs are not met through the
- 65.6 traditional emergency food system;
- 65.7 (b) Eligible applicants include but are not limited to individuals, nonprofit organizations,
- 65.8 for-profit businesses, Tribal governments, government entities, agricultural cooperatives,
- 65.9 economic development organizations, and educational institutions.
- 65.10 (c) Grantees may use up to 15 percent of each grant awarded under this clause for
- 65.11 administrative and transportation expenses.

65.12 Sec. 41. **REPEALER.**

- 65.13 (a) Minnesota Rules, parts 1510.2300; 1510.2305; 1510.2310; 1510.2315; 1510.2320;
- 65.14 1510.2325; 1510.2330; 1510.2335; 1510.2340; 1510.2345; 1510.2350; and 1510.2355,
- 65.15 subparts 1, 2, 3a, 4, 5, 6, and 7, are repealed.
- 65.16 (c) Minnesota Statutes 2024, section 239.77, subdivision 5, is repealed.
- 65.17 (d) Minnesota Statutes 2024, sections 35.68; and 35.830, are repealed.

65.18 Sec. 42. **EFFECTIVE DATE.**

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

65.20 **ARTICLE 4**

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

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

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

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

- 65.26 Subd. 10. **Meat packing plants companies, packers, and slaughtering houses.** "Meat
- 65.27 packing plants companies," "packers," and "slaughtering houses" means places of business
- 65.28 where livestock purchased or acquired is slaughtered that have the meaning of "packers"
- 65.29 as defined in section 31B.02, subdivision 8.

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

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

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

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

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

66.11 Subdivision 1. **Licensing provisions.** (a) Licenses shall be issued to livestock market
66.12 agencies and public stockyards annually and shall expire on December 31 each year,
66.13 renewable annually thereafter. A separate license must be obtained for each separate
66.14 geographical location even though operated under the same management or same person,
66.15 partnership, firm, corporation, or livestock market. The license issued to a livestock market
66.16 agency ~~and~~ or public stockyard shall be conspicuously posted at the licensee's place of
66.17 business.

66.18 (b) Licenses shall be required for livestock dealers ~~and their agents~~, livestock dealer
66.19 agents, meat packing companies, and meat packing company agents for the period beginning
66.20 July 1 each year and ending June 30. A license issued under this subdivision is renewable
66.21 annually thereafter. The license issued to a livestock dealer ~~or the agent of a~~, livestock dealer
66.22 agent, a meat packing company, or a meat packing company agent shall be carried by the
66.23 person ~~so~~ who is licensed. ~~The~~ A livestock dealer or meat packing company shall be
66.24 responsible for the acts of the ~~dealer's agents~~ livestock dealer agent or meat packing company
66.25 agent. Licensed livestock market agencies, public stockyards, and livestock dealers shall
66.26 be responsible for the faithful performance of duty of the public livestock weighers at their
66.27 places of business. The license issued to a livestock market agency, public stockyard ~~or,~~
66.28 meat packing company, meat packing company agent, livestock dealer, ~~or agent of a~~ livestock
66.29 dealer agent is not transferable. The operation of livestock market agencies, livestock dealers,
66.30 agents, ~~and packers~~ meat packing companies at a public stockyard are exempt from sections
66.31 17A.01 to 17A.09 and 17A.12 to 17A.17.

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

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

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

67.7 Subd. 4. **Surety bonds required.** Each livestock market agency and livestock dealer
67.8 applying for a license ~~under Laws 1974, chapter 347~~ shall file with the commissioner a
67.9 valid and effective bond issued by a surety company licensed to do business in this state,
67.10 or meeting the requirements of section 17A.05, in the form and amount set forth in section
67.11 17A.05. No bond shall be required of a public stockyard or any agent of a bonded livestock
67.12 dealer. The commissioner may at any time raise or lower bond requirements if it appears
67.13 that a modification of such bond requirements is justified and will protect the public. The
67.14 bonds of livestock market agencies and dealers whose residence or principal place of business
67.15 is within the state of Minnesota shall name the commissioner as the trustee. ~~Any A~~ license
67.16 ~~issued under Laws 1974, chapter 347~~ shall automatically become void upon the termination
67.17 of the surety bond covering the licensed operations.

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

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

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

68.2 Subd. 7. **Revocation of license.** Whenever the commissioner finds that any livestock
68.3 market agency, meat packing company, or livestock dealer has violated the provisions of
68.4 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the
68.5 Board of Animal Health, the Division of Weights and Measures of the Department of
68.6 Commerce, or the federal Packers and Stockyards Administration, the commissioner may,
68.7 by order, pursuant to the provisions of chapter 14, and this subdivision, revoke the license
68.8 of the offender. ~~Before any such license shall be revoked, the licensee shall be furnished~~
68.9 ~~with a statement of the complaints made against the licensee, and a hearing shall be had~~
68.10 ~~before the commissioner upon at least ten days' notice to the licensee to determine whether~~
68.11 ~~such license shall be revoked, which notice may be served either by certified mail addressed~~
68.12 ~~to the address of the licensee as shown in the license application or in the manner provided~~
68.13 ~~by law for the service of a summons. At the time and place fixed for hearing, the~~
68.14 ~~commissioner or any official, employee or agent of the department authorized by the~~
68.15 ~~commissioner, shall receive evidence, administer oaths, examine witnesses, hear the~~
68.16 ~~testimony and thereafter file an order either dismissing the proceedings or revoking the~~
68.17 ~~license.~~

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

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

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

68.29 Subd. 2. **Hearing on claims.** In case of default by the licensee, the commissioner shall
68.30 have the power to have the matter heard as a contested case pursuant to procedures outlined
68.31 in chapter 14. ~~No hearing shall be required if all affected parties to a bond claim proceeding~~
68.32 ~~waive their right to a hearing and agree to accept the commissioner's determination as to~~
68.33 ~~the validity of the claim and the allocation of the proceeds of the bond. The commissioner~~

69.1 must first determine whether a claim is valid. If the commissioner determines that a claim
69.2 is valid, the commissioner must notify the licensee of the determination and that the licensee
69.3 has 15 days to either pay the claim or appeal the determination. If the licensee does not
69.4 respond within 15 days, the determination must be considered a final order by the
69.5 commissioner. If the commissioner determines that a claim is not valid, the commissioner
69.6 must notify the claimant of the determination and that the claimant has 15 days to appeal
69.7 the determination. If the claimant does not respond within 15 days, the determination must
69.8 be considered a final order by the commissioner.

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

69.10 Subd. 3. **Public notice.** ~~Prior to a hearing~~ After the commissioner determines that a
69.11 claim is valid, the commissioner shall publish a notice setting forth the default of the licensee
69.12 and requiring all claimants to file proof of claim with the commissioner within 45 days of
69.13 the date such notice is published or be barred from participating in the proceeds of the bond.
69.14 Such publication shall be made in a newspaper published in the county in which the licensee's
69.15 principal place of business is located. The commissioner shall also fulfill any notice
69.16 requirements prescribed by chapter 14 and rules of the Office of Administrative Hearings.
69.17 No claim shall be allowed unless it is filed with the commissioner within one year of the
69.18 date of the transaction. If a livestock market agency, meat packing company, or livestock
69.19 dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and
69.20 Stockyards Administration, the terms of the bond or that federal agency's regulations will
69.21 control.

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

69.23 **17A.07 PROHIBITED CONDUCT.**

69.24 It shall be unlawful for any person to (1) carry on the business of a livestock market
69.25 agency, livestock dealer, livestock dealer agent, meat packing company, meat packing
69.26 company agent, or public stockyard without a valid and effective license issued by the
69.27 commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock
69.28 market agency, meat packing company, or livestock dealer without filing and maintaining
69.29 a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry
69.30 on the business of a livestock market agency, meat packing company, or livestock dealer
69.31 if the person cannot pay debts as they become due or ceases to pay debts in the ordinary
69.32 course of business as they become due; (4) use or allow to be used any livestock scale or
69.33 monorail scale which has not been certified and approved for official use or has been found

70.1 to be inaccurate; (5) fail to maintain and operate livestock or monorail scales in a manner
70.2 to ensure accurate and correct weights; (6) weigh livestock or carcasses at other than true
70.3 and correct weights or issue accounts and records on the basis of inaccurate or incorrect
70.4 weights; (7) engage in or use any unfair or deceptive practice or device in connection with
70.5 marketing of livestock; (8) willfully make or cause to be made any false entry or statement
70.6 of fact in any application, financial statement or report filed with the department under this
70.7 chapter.

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

70.9 **17A.08 RECORD KEEPING.**

70.10 Every person shall make and retain such accounts, records, and memoranda necessary
70.11 to fully and correctly disclose all transactions involved in the person's business, including
70.12 the true ownership of such business by stockholding or otherwise. Whenever the
70.13 commissioner finds that the accounts, records, and memoranda of any such person do not
70.14 fully and correctly disclose all transactions involved in the person's business, the
70.15 commissioner may ~~prescribe~~ take enforcement actions in addition to prescribing the manner
70.16 or form and length of time for retention which such accounts, records, and memoranda shall
70.17 be kept. The commissioner shall at all reasonable times have access to, for the purpose of
70.18 examination, and the right to copy any documentary evidence of any person being
70.19 investigated or proceeded against.

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

70.21 **17A.15 POWERS AND DUTIES OF COMMISSIONER.**

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

70.30 Sec. 16. **EFFECTIVE DATE.**

70.31 This article is effective August 1, 2025.

71.1 **ARTICLE 5**

71.2 **SEED POTATO PROVISIONS**

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

71.4 **18J.01 DEFINITIONS.**

71.5 (a) The definitions in this section; chapters 18G, 18H, 18K, 27, 223, 231, and 232; and
71.6 sections 18G.02, 18H.02, 18K.02, 27.01, 223.16, 231.01, and 232.21 21.111 to 21.125 and
71.7 21.80 to 21.92 apply to this chapter.

71.8 (b) For purposes of this chapter, "associated rules" means rules adopted under this
71.9 chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or sections ~~21.80~~ 21.111 to 21.92
71.10 21.125.

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

71.12 **18J.02 DUTIES OF COMMISSIONER.**

71.13 The commissioner shall administer and enforce this chapter, chapters 18G, 18H, 18K,
71.14 27, 223, 231, and 232; sections 21.111 to 21.125, and 21.80 to 21.92; and associated rules.

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

71.16 **18J.03 CIVIL LIABILITY.**

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

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

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

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

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

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

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

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

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

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

(b) The commissioner may enter any public or private premises during or after regular business hours without notice of inspection when a suspected violation of chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules may threaten public health or the environment.

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

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

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

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

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

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

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

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

73.16 Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G, 18H, 18K, 27,
73.17 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or an associated rule is a
73.18 violation of this chapter.

73.19 (b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
73.20 having authority in the enforcement of the general criminal laws must take action to the
73.21 extent of their authority necessary or proper for the enforcement of chapter 18G, 18H, 18K,
73.22 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules or
73.23 valid orders, standards, stipulations, and agreements of the commissioner.

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

73.25 Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G, 18H, 18K,
73.26 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules occur
73.27 or the commissioner believes the public interest will be best served by a suitable notice of
73.28 warning in writing, this section does not require the commissioner to:

73.29 (1) report the violation for prosecution;

73.30 (2) institute seizure proceedings; or

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

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

74.2 Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered, or
74.3 certified under chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or
74.4 21.80 to 21.92; or associated rules must appoint the commissioner as the agent upon whom
74.5 all legal process may be served and service upon the commissioner is deemed to be service
74.6 on the licensee, permittee, registrant, or certified person.

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

74.8 **18J.06 FALSE STATEMENT OR RECORD.**

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

74.11 (1) an application for registration, license, certification, or permit under chapter 18G,
74.12 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
74.13 rules;

74.14 (2) records or reports required under chapter 18G, 18H, 18K, 27, 223, 231, or 232;
74.15 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

74.16 (3) an investigation of a violation of chapter 18G, 18H, 18K, 27, 223, 231, or 232;
74.17 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

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

74.19 Subd. 3. **Cancellation of registration, permit, license, certification.** The commissioner
74.20 may cancel or revoke a registration, permit, license, or certification provided for under
74.21 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
74.22 or associated rules or refuse to register, permit, license, or certify under provisions of chapter
74.23 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or
74.24 associated rules if the registrant, permittee, licensee, or certified person has used fraudulent
74.25 or deceptive practices in the evasion or attempted evasion of a provision of chapter 18G,
74.26 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
74.27 rules.

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

74.29 Subd. 4. **Service of order or notice.** (a) If a person is not available for service of an
74.30 order, the commissioner may attach the order to the facility, site, seed or seed container,
74.31 plant or other living or nonliving object regulated under chapter 18G, 18H, 18K, 27, 223,

231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules and notify the owner, custodian, other responsible party, or registrant.

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

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

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

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

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

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

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

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

21.111 DEFINITIONS.

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

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

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

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

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

~~Subd. 3a. **Interstate cooperation.** In order to best use state resources, the commissioner may enter into agreements with other seed potato certification entities to carry out the purposes of sections 21.111 to 21.122. Any agreement may provide for field inspections, shipping point inspections, winter tests, and other certification functions to be carried out by personnel employed by either entity according to methods determined by the certification entities of the respective areas. The commissioner may extend seed potato certification services to states where growers wish to grow certified seed potatoes and the state does not have a seed potato certification program. Any agreement must be reported to the chairs of the legislative committees responsible for the budget or policy of the seed potato inspection program and to the commissioner of management and budget.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

78.10 Subd. 1a. **Interstate cooperation.** In order to best use state resources, the commissioner
78.11 may enter into agreements with other seed potato certification entities to carry out the
78.12 purposes of sections 21.111 to 21.125. An agreement under this subdivision may provide
78.13 for field inspections, shipping point inspections, winter testing, and other certification
78.14 functions to be carried out by personnel employed by either the commissioner or other seed
78.15 potato certification entities according to methods determined by the seed potato certification
78.16 entities. The commissioner may extend seed potato certification services to a state where
78.17 growers wish to grow certified seed potatoes and where the state does not have a seed potato
78.18 certification program. Any agreement under this subdivision must be reported to the chairs
78.19 and ranking minority members of the legislative committees responsible for the budget or
78.20 policy of the seed potato inspection program and to the commissioner of management and
78.21 budget.

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

78.23 **21.113 SHIPPING POINT CERTIFICATES OF INSPECTION; CERTIFICATES**
78.24 **OF ORIGIN; AND BULK CERTIFICATES.**

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

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

78.30 (1) the seed potato ~~lab~~ growth facility and the ~~lab's~~ growth facility's records have been
78.31 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.

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

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

21.115 FEES; SEED POTATO INSPECTION ACCOUNT.

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

80.1 sum provided by the legislature for the purpose of carrying out the provisions of such
80.2 sections.

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

80.4 **21.117 APPLICATIONS FOR INSPECTIONS; WITHDRAWALS;**
80.5 **AMENDMENTS.**

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

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

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

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

80.20 **21.119 USE OF CERTAIN TERMS FORBIDDEN; EXCEPTIONS.**

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

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

80.28 **21.1195 MINIMUM STANDARDS FOR PLANTING.**

80.29 (a) Seed ~~Seed~~ Potatoes may not be planted in the state in lots of ten or more acres unless the
80.30 seed meets the minimum disease standards prescribed by the commissioner. ~~Seed~~ Potatoes
80.31 may meet the standards by being certified in accordance with this chapter and rules adopted

by the commissioner, or under the certification program of another state or province which, in the judgment of the commissioner, provides equivalent assurances of seed potato quality. ~~Seed~~ Potatoes may be planted without certification if they have had at least field inspection as required for certified seed potatoes, have passed the field inspection standards of disease tolerance, and are free from ring rot. ~~A person that plants seed potatoes in violation of this section is subject to a civil penalty of \$20 per acre for each acre or part of an acre planted in violation of this section.~~ Failure to maintain complete and accurate records in accordance with this section ~~or rules adopted by the commissioner is an additional violation resulting in a separate civil penalty of \$200 for each failure~~ is a violation and subject to enforcement under chapter 18J.

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

(c) Each grower shall keep records of each lot of ~~seed~~ potatoes planted. For each growing 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

82.1 province that, in the judgment of the commissioner, provides equivalent assurances of seed
82.2 potato quality;

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

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

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

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

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

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

82.16 Sec. 24. **[21.123] SEED POTATO CERTIFICATION.**

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

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

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

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

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

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

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

83.7 (7) a grower must comply with sections 21.111 to 21.125. A grower's violation of sections
83.8 21.111 to 21.125 is cause for the commissioner to reject the grower's field or lot. A grower
83.9 must not sell or label potatoes as certified seed potatoes when the potatoes were grown in
83.10 a rejected field or lot.

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

83.15 (b) For seed potato varieties that do not exhibit visible symptoms of a specific pathogen,
83.16 the commissioner must subject the seed potatoes to laboratory tests to determine the level
83.17 of a pathogen in a seed lot. Testing under this paragraph may occur during the growing
83.18 season, the storage season, or winter testing.

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

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

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

84.1 Subd. 3. **Bacterial ring rot or potato spindle tuber viroid.** If the commissioner finds
84.2 the presence of bacterial ring rot or potato spindle tuber viroid in a field or lot, the
84.3 commissioner must reject the entire field or lot. If the commissioner discovers a single plant
84.4 in a field or a tuber in storage that is infected with bacterial ring rot or potato spindle tuber
84.5 viroid, the commissioner must reject the entire field or lot where the plant was grown. If
84.6 the commissioner has not found bacterial ring rot or potato spindle tuber viroid in a field
84.7 or lot, the field or lot is not necessarily free from either disease.

84.8 Subd. 4. **Winter testing.** (a) In order to detect certain virus diseases, the commissioner
84.9 must conduct winter testing of a sample from each class seeking eligibility for recertification,
84.10 except PN, G1, and experimental classes. The commissioner must grow out and visually
84.11 inspect a representative sample of tubers from each seed lot for stand, vigor, varietal purity,
84.12 and disease. If, during a visual inspection, a plant shows signs of potato virus Y or potato
84.13 leafroll virus, or if the plant is of a variety that does not express visual symptoms of infection,
84.14 the commissioner must ensure that a sample of the plant is lab tested for potato virus Y and
84.15 potato leafroll virus. The commissioner must determine whether a field or lot contains the
84.16 threshold amount of disease permitted under section 21.124, subdivision 9. The commissioner
84.17 must include any lot that passes winter testing in the approved list of certified seed lots
84.18 eligible for recertification.

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

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

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

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

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

84.32 Subd. 5. **Seed potato certification classes.** Seed potato certification classes must be
84.33 differentiated by the potatoes' compliance with disease tolerances, varietal purity, and seed

85.1 origin. Seed potato certification classes are: Prenuclear, Generation 1, Generation 2,
85.2 Generation 3, Generation 4, Generation 5, Generation 6, and Certified.

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

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

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

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

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

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

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

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

85.32 (3) the commissioner must inspect a field or lot for bacterial ring rot. The commissioner
85.33 must reject a field or lot if the commissioner finds the presence of bacterial ring rot. If

86.1 bacterial ring rot is present in a field or lot, the remaining crop is not eligible for certification
86.2 planting;

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

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

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

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

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

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

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

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

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

87.4 (c) If a grower plans to store a lot in a public warehouse or storage unit that is not directly
87.5 under the grower's control, the grower must send a complete record of storage to the
87.6 commissioner prior to storing the lot. The record must include the address and location of
87.7 the public warehouse or storage unit, the variety of potatoes in each bin, and the number of
87.8 potatoes in each bin. If a warehouse receipt for the lot is available, the grower must submit
87.9 a copy of the warehouse receipt to the commissioner. If more than one grower stores lots
87.10 in the same public warehouse or storage unit, the grower must label each lot according to
87.11 paragraph (b).

87.12 (d) A grower must not use the same equipment for grading and handling lots of certified
87.13 seed potatoes and other potatoes. If a grower has used the same equipment for grading and
87.14 handling certified seed potatoes and other potatoes, the commissioner must reject the grower's
87.15 lots.

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

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

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

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

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

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

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

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

88.16 (1) the blue-tag-certified seed potato grade is the first grade of certified seed potatoes.
88.17 The blue-tag-certified seed potato grade is stricter than other grades. The blue-tag-certified
88.18 seed potato grade does not allow as many physical defects of tubers as other grades. A
88.19 grower may use the blue-tag-certified seed potato grade for intrastate and interstate shipments
88.20 of certified seed potatoes.

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

88.25 (3) the white-tag-certified seed potato grade is the third grade of certified seed potatoes.
88.26 The number of physical defects that the white-tag-certified seed potato grade allows is
88.27 determined by an agreement between the purchaser and seller of the certified seed potatoes.
88.28 A grower may use the white-tag-certified seed potato grade for intrastate and interstate
88.29 shipments of certified seed potatoes.

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

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

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

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

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

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

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

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

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

89.15 Sec. 25. **[21.124] REQUIREMENTS FOR PRODUCTION OF DIFFERENT**
89.16 **CLASSES OF CERTIFIED SEED POTATOES.**

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

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

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

89.22 (3) potato virus X;

89.23 (4) potato virus S;

89.24 (5) potato virus A;

89.25 (6) potato virus M;

89.26 (7) potato virus Y;

89.27 (8) potato spindle tuber viroid; and

89.28 (9) potato leafroll virus.

89.29 (b) When growing prenuclear class seed potatoes, a grower must ensure that each explant
89.30 or tuber is tested for organisms for which testing is required by the state or province of

90.1 destination. A grower must ensure that material in maintenance is tested during the year of
90.2 producing prenuclear class seed potatoes.

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

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

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

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

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

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

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

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

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

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

90.30 Subd. 3. **Generation 2 class certified seed potatoes.** Generation 2 class seed potatoes
90.31 must originate from Generation 1 class seed potatoes. Generation 2 class seed potatoes must

91.1 not contain more than the allowable tolerances of disease and varietal mixture in subdivision

91.2 9.

91.3 Subd. 4. **Generation 3 class certified seed potatoes.** Generation 3 class seed potatoes

91.4 must originate from Generation 2 class seed potatoes. Generation 3 class seed potatoes must

91.5 not contain more than the allowable tolerances of disease and varietal mixture in subdivision

91.6 9.

91.7 Subd. 5. **Generation 4 class certified seed potatoes.** Generation 4 class seed potatoes

91.8 must originate from Generation 3 class seed potatoes. Generation 4 class seed potatoes must

91.9 not contain more than the allowable tolerances for disease and varietal mixture in subdivision

91.10 9.

91.11 Subd. 6. **Generation 5 class certified seed potatoes.** Generation 5 class seed potatoes

91.12 must originate from Generation 4 class seed potatoes. Generation 5 class seed potatoes must

91.13 not contain more than the allowable tolerances for disease and varietal mixture in subdivision

91.14 9.

91.15 Subd. 7. **Generation 6 class certified seed potatoes.** Generation 6 class seed potatoes

91.16 must originate from Generation 5 class seed potatoes. Generation 6 class seed potatoes must

91.17 not contain more than the allowable tolerances for disease and varietal mixture in subdivision

91.18 9.

91.19 Subd. 8. **Certified class certified seed potatoes.** Certified class seed potatoes must

91.20 originate from generation classes of seed potatoes. Certified class seed potatoes must not

91.21 contain more than the allowable tolerances for disease and varietal mixture in subdivision

91.22 9.

91.23 Subd. 9. **Allowable tolerances for diseases and varietal mixture by generation**

91.24 **class.** The numbers represent the percentage of potatoes that may be affected out of an

91.25 individual lot.

91.26		<u>PN</u>	<u>G1</u>	<u>G2</u>	<u>G3</u>	<u>G4</u>	<u>G5</u>	<u>G6</u>	<u>C</u>
91.27	<u>Tolerances:</u>								
91.28	<u>Severe Mosaic from</u>								
91.29	<u>potato virus Y, A, M,</u>								
91.30	<u>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>
91.31	<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>
91.32	<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>
91.33	<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>
91.34	<u>Mycoplasmas (haywire,</u>								
91.35	<u>witches broom, yellow</u>								
91.36	<u>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>

92.1	<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>
92.2	<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>
92.3	<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>
92.4	<u>Ring Rot and Spindle</u>								
92.5	<u>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>
92.6	<u>Winter Test:</u>								
92.7	<u>Virus or expressing</u>								
92.8	<u>symptoms of chemical</u>								
92.9	<u>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>

92.10

92.11

Sec. 26. [21.125] MINNESOTA CERTIFIED SEED POTATO GRADES AND TOLERANCES.

92.12

92.13

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.

92.14

92.15

Subd. 2. Definitions. (a) For the purposes of this section, the following terms have the meanings given.

92.16

92.17

92.18

(b) "Damage" means any defect or combination of defects that materially affects the appearance of the individual potato, or that cannot be removed without a loss of more than five percent of the total weight of the potato, including the peel covering the defective area.

92.19

92.20

(c) "Diameter" means the greatest dimension at right angles to the longitudinal axis. Diameter means the long axis.

92.21

(d) "Dry rot" means decaying tissue that is dry.

92.22

92.23

(e) "Fairly clean" means that the individual potato is reasonably free from dirt, staining, or other foreign matter.

92.24

92.25

(f) "Fairly well-shaped" means that the individual potato is not materially pointed, dumbbell-shaped, or otherwise ill-formed.

92.26

92.27

(g) "Mature" means that the outer skin does not loosen or feather readily during the ordinary methods of handling.

92.28

92.29

92.30

92.31

(h) "Serious damage" means any defect or combination of defects that seriously affects the appearance of the individual potato or that cannot be removed without a loss of more than ten percent of the total weight of the potato, including the peel covering the defective area.

92.32

92.33

(i) "Slightly dirty" means the appearance is not materially affected by dirt, staining, or other foreign matter.

93.1 (j) "Soft rot" or "wet breakdown" means any soft, mushy, or leaky condition of potato
93.2 tissues.

93.3 (k) "Well-shaped" means the normal shape for a variety.

93.4 Subd. 3. **Damage.** The commissioner must find that one or more of the following defects
93.5 constitutes damage:

93.6 (1) a russet scab that materially detracts from the appearance of a potato;

93.7 (2) second growth or growth cracks that materially affect the appearance of an individual
93.8 potato;

93.9 (3) air cracks when removal of the air cracks causes a loss of more than five percent of
93.10 the total weight of a potato;

93.11 (4) a potato that is more than moderately shriveled, spongy, or flabby;

93.12 (5) an individual potato that has sprouts over one inch in length;

93.13 (6) a surface scab, powdery scab, or pitted scab that covers more than five percent of
93.14 the surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,
93.15 causes a potato to lose more than five percent of the potato's total weight, including peel
93.16 covering a defective area of the potato; or

93.17 (7) more than 50 percent of a potato's surface contains scattered, lightly caked soil or
93.18 more than 15 percent of a potato's surface is badly caked with soil.

93.19 Subd. 4. **Serious damage.** The commissioner must find that one or more of the following
93.20 defects constitutes serious damage:

93.21 (1) a russet scab that seriously detracts from the appearance of a potato;

93.22 (2) the appearance of a potato is seriously affected by caked or smeared dirt or other
93.23 foreign matter;

93.24 (3) both ends of a potato are cut or clipped, more than an estimated one-fourth of a potato
93.25 is cut away from one end, or a remaining portion of a clipped potato weighs less than six
93.26 ounces;

93.27 (4) one or more cuts that seriously affect the appearance of a potato or that cannot be
93.28 removed without the loss of more than ten percent of a potato's total weight, including peel
93.29 covering the defective area;

93.30 (5) a potato that is excessively shriveled, spongy, or flabby;

94.1 (6) a surface scab, powdery scab, or pitted scab that covers more than 25 percent of the
94.2 surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,
94.3 causes a loss of more than ten percent of a potato's total weight, including peel covering the
94.4 defective area; or

94.5 (7) wireworm or air cracks that, when removed, cause a loss of more than ten percent
94.6 of a potato's total weight.

94.7 Subd. 5. **Application of tolerance.** If the average of an entire lot is within the disease
94.8 tolerances specified for the grade in section 21.124, subdivision 9, an individual container
94.9 in the lot may contain no more than double the disease tolerance specified in section 21.124,
94.10 subdivision 9, except that sprouts, at least one defective specimen with a defect other than
94.11 bacterial ring rot, and one off size specimen is permitted. This subdivision does not apply
94.12 to bulk conveyances.

94.13 Subd. 6. **Condition after transit.** Deterioration that developed in transit must affect the
94.14 condition of potatoes. Deterioration that developed in transit must not affect the grade of
94.15 potatoes.

94.16 Subd. 7. **Minnesota blue-tag-certified seed potato grade.** (a) To be graded as Minnesota
94.17 blue-tag-certified seed potatoes, potatoes must meet the following requirements:

94.18 (1) at the time of the shipping point inspection, potatoes must be of one variety;
94.19 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
94.20 and soft rot or wet breakdown; free from damage caused by soil or other foreign matter,
94.21 second growth, air cracks, cuts, shriveling, sprouts, pitted scabs, surface scabs, powdery
94.22 scabs, russet scabs, dry rot, other diseases, insects or worms, mechanical or other means,
94.23 or flattened or depressed areas with underlying flesh discoloration; and free from serious
94.24 damage caused by hollow heart, wireworm, growth cracks, or internal discoloration other
94.25 than hollow heart. Sunburn and silver scurf must not be considered factors that affect the
94.26 grading of potatoes. This clause does not apply to hollow heart if the potatoes are labeled
94.27 "hollow heart exempt" on the affixed tag or accompanying certificate; and

94.28 (2) for round or intermediate shaped varieties, the maximum potato size is 12 ounces
94.29 (340.2 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
94.30 inches (38.1 millimeters) in diameter. For long varieties, the maximum size is 14 ounces
94.31 (396.9 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
94.32 inches (38.1 millimeters) in diameter. For all varieties, the minimum diameter for size "B"
94.33 must not be less than 1-1/2 inches (38.1 millimeters) and the maximum size must not be
94.34 more than 2-1/4 inches (57.1 millimeters) in diameter. The department may grade potatoes

- 95.1 that do not meet the maximum and minimum size specifications as Minnesota
95.2 blue-tag-certified seed potatoes if the buyer agrees to accept potatoes of alternate size
95.3 specifications from the grower and the specifications are listed on the affixed tag or
95.4 accompanying bulk certificate issued by the department.
- 95.5 (b) To allow for variations incident to proper grading and handling, the following lot
95.6 tolerances are permitted:
- 95.7 (1) for defects:
- 95.8 (i) up to ten percent of a lot may be seriously damaged by hollow heart, unless labeled
95.9 "hollow heart exempt" on the affixed tag or accompanying certificate;
- 95.10 (ii) up to five percent of a lot may be seriously damaged by internal discoloration due
95.11 to causes other than hollow heart;
- 95.12 (iii) up to ten percent of a lot may be damaged by soil or other foreign matter;
- 95.13 (iv) up to 20 percent of a lot may be damaged by sprouts;
- 95.14 (v) up to ten percent of a lot may be seriously damaged by wireworm;
- 95.15 (vi) for potatoes that fail to meet the remaining requirements of the potatoes' grade, a
95.16 lot may contain up to a total of six percent of the following defects combined and must not
95.17 contain more than the following percentage of defects:
- 95.18 (A) soft rot, frozen, or wet breakdown, 0.5 percent;
- 95.19 (B) damage by surface scab, powdery scab, or pitted scab, 2.0 percent;
- 95.20 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
95.21 tuber rot;
- 95.22 (D) bacterial ring rot, 0.0 percent; and
- 95.23 (E) late blight tuber rot, 1.0 percent; and
- 95.24 (vii) the presence of the following does not affect seed quality and must not be scored
95.25 against the potatoes' grade:
- 95.26 (A) brown discoloration following skinning;
- 95.27 (B) dried stems;
- 95.28 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 95.29 (D) greening;
- 95.30 (E) sunburn;

96.1 (F) skin checks; and

96.2 (G) silver scurf; and

96.3 (2) for off size:

96.4 (i) up to five percent of potatoes may fail to meet the required or specified minimum
96.5 size; and

96.6 (ii) up to ten percent of potatoes may fail to meet the required maximum size.

96.7 Subd. 8. **Minnesota yellow-tag-certified seed potato grade.** (a) To be graded as
96.8 Minnesota yellow-tag-certified seed potatoes, potatoes must meet the following requirements:

96.9 (1) at the time of the shipping point inspection, the potatoes must be of one variety;
96.10 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
96.11 and soft rot or wet breakdown; free from damage caused by second growth, air cracks, cuts,
96.12 shriveling, pitted scabs, surface scabs, powdery scabs, dry rot, other diseases, insects or
96.13 worms, or mechanical means or other means; and free from serious damage caused by soil
96.14 or other foreign matter, hollow heart, wireworm, growth cracks, russet scabs, or internal
96.15 discoloration other than hollow heart. Sunburn and silver scurf must not be considered
96.16 factors that affect the grading of potatoes. This clause does not apply to hollow heart if
96.17 labeled "hollow heart exempt" on the affixed tag or accompanying certificate; and

96.18 (2) for all varieties, the maximum potato size is 14 ounces (396.9 grams) and the
96.19 minimum size is 1-1/2 inch (38.1 millimeter) in diameter. For all varieties, the minimum
96.20 diameter for size "B" must not be less than 1-1/2 inches (38.1 millimeters) and the maximum
96.21 diameter must not be more than 2-1/4 inches (57.1 millimeters). The department may grade
96.22 potatoes that do not meet the maximum and minimum size specifications as Minnesota
96.23 yellow-tag-certified seed potatoes if the buyer agrees to accept potatoes with alternate size
96.24 specifications from the grower and the size specifications are listed on the affixed tag or
96.25 accompanying bulk certificate issued by the department.

96.26 (b) To allow for variations incident to proper grading and handling, the following lot
96.27 tolerances are permitted:

96.28 (1) for defects:

96.29 (i) up to 20 percent of potatoes may be seriously damaged by hollow heart, unless labeled
96.30 "hollow heart exempt" on the affixed tag or accompanying certificate;

96.31 (ii) up to five percent of potatoes may be seriously damaged by internal discoloration
96.32 due to a cause other than hollow heart;

- 97.1 (iii) up to ten percent of potatoes may be seriously damaged by soil or other foreign
97.2 matter;
- 97.3 (iv) up to ten percent of potatoes may be seriously damaged by wireworm;
- 97.4 (v) up to 20 percent of a lot may have defects if the potatoes fail to meet the remaining
97.5 requirements of the grade. Of the 20 percent of defects allowed, a lot may contain a total
97.6 of six percent of the following defects combined and must not contain more than the
97.7 following percentage of defects:
- 97.8 (A) soft rot, frozen, or wet breakdown, 0.5 percent;
- 97.9 (B) damage by surface scab, powdery scab, or pitted scab, 5.0 percent;
- 97.10 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
97.11 tuber rot;
- 97.12 (D) bacterial ring rot, 0.0 percent; and
- 97.13 (E) late blight tuber rot, 1.0 percent; and
- 97.14 (vi) the presence of the following does not affect seed quality and must not be scored
97.15 against the grade:
- 97.16 (A) brown discoloration following skinning;
- 97.17 (B) dried stems;
- 97.18 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 97.19 (D) greening;
- 97.20 (E) sunburn;
- 97.21 (F) skin checks;
- 97.22 (G) silver scurf; and
- 97.23 (H) sprouts; and
- 97.24 (2) for off size:
- 97.25 (i) five percent for potatoes that fail to meet the required or specified minimum size;
97.26 and
- 97.27 (ii) ten percent for potatoes that fail to meet the required maximum size.

98.1 (c) The potatoes must be fairly well-shaped, with an exception for long varieties when
98.2 specified as "except for shape." When specified as "except for shape," the tubers may be
98.3 misshapen.

98.4 Subd. 9. Minnesota white-tag-certified seed potato grade. Minnesota white-tag-certified
98.5 seed potato grade consists of certified seed potatoes that are graded according to agreement
98.6 between the seller and the purchaser as to size and defects, except that not more than one-half
98.7 percent of soft rot, frozen, or wet breakdown and two percent dry rot, of which not more
98.8 than one percent late blight tuber rot is allowed.

98.9 Sec. 27. Minnesota Statutes 2024, section 21.891, subdivision 2, is amended to read:

98.10 Subd. 2. **Seed fee permits.** (a) A labeler who wishes to sell seed in Minnesota must
98.11 comply with section 21.89, subdivisions 1 and 2, and the procedures in this subdivision.
98.12 Each labeler who wishes to sell seed in Minnesota must apply to the commissioner to obtain
98.13 a permit. The application must contain the name and address of the applicant, the application
98.14 date, and the name and title of the applicant's contact person. Permit fees are based on the
98.15 initial sale of seed in Minnesota.

98.16 (b) The application for a seed permit covered by section 21.89, subdivision 2, clause
98.17 (1), must be accompanied by an application fee of \$75.

98.18 (c) The application for a seed permit covered by section 21.89, subdivision 2, clause
98.19 (2), must be accompanied by an application fee based on the level of annual gross sales as
98.20 follows:

98.21 (1) for gross sales of \$0 to \$25,000, the annual permit fee is \$75;

98.22 (2) for gross sales of \$25,001 to \$50,000, the annual permit fee is \$150;

98.23 (3) for gross sales of \$50,001 to \$100,000, the annual permit fee is \$300;

98.24 (4) for gross sales of \$100,001 to \$250,000, the annual permit fee is \$750;

98.25 (5) for gross sales of \$250,001 to \$500,000, the annual permit fee is \$1,500;

98.26 (6) for gross sales of \$500,001 to \$1,000,000, the annual permit fee is \$3,000; and

98.27 (7) for gross sales of \$1,000,001 and above, the annual permit fee is \$4,500.

98.28 (d) The application for a seed permit covered by section 21.89, subdivision 2, clause
98.29 (3), must be accompanied by an application fee of \$75. Labelers holding seed fee permits
98.30 covered under this paragraph need not apply for a new permit or pay the application fee.

99.1 Under this permit category, the fees for the following kinds of agricultural seed sold either
99.2 in bulk or containers are:

99.3 (1) oats, wheat, and barley, 9 cents per hundredweight;

99.4 (2) rye, field beans, buckwheat, and flax, 12 cents per hundredweight;

99.5 (3) field corn, 17 cents per 80,000 seed unit;

99.6 (4) forage, hemp, lawn and turf grasses, and legumes, 69 cents per hundredweight;

99.7 (5) sunflower, \$1.96 per hundredweight;

99.8 (6) sugar beet, 12 cents per 100,000 seed unit;

99.9 (7) soybeans, 7.5 cents per 140,000 seed unit;

99.10 (8) for any agricultural seed not listed in clauses (1) to (7), the fee for the crop most
99.11 closely resembling it in normal planting rate applies; and

99.12 (9) for native grasses and wildflower seed, \$1 per hundredweight.

99.13 (e) If, for reasons beyond the control and knowledge of the labeler, seed is shipped into
99.14 Minnesota by a person other than the labeler, the responsibility for the seed fees are
99.15 transferred to the shipper. An application for a transfer of this responsibility must be made
99.16 to the commissioner. Upon approval by the commissioner of the transfer, the shipper is
99.17 responsible for payment of the seed permit fees.

99.18 (f) Seed permit fees may be included in the cost of the seed either as a hidden cost or as
99.19 a line item cost on each invoice for seed sold. To identify the fee on an invoice, the words
99.20 "Minnesota seed permit fees" must be used.

99.21 (g) All seed fee permit holders must file semiannual reports with the commissioner,
99.22 even if no seed was sold during the reporting period. Each semiannual report must be
99.23 submitted within 30 days of the end of each reporting period. The reporting periods ~~are~~
99.24 ~~October 1 to March 31 and April 1 to September 30 of each year or July 1 to December 31~~
99.25 ~~and January 1 to June 30 of each year~~ must be determined by the commissioner and
99.26 communicated annually to permit holders. Permit holders may change their reporting periods
99.27 with the approval of the commissioner.

99.28 (h) The holder of a seed fee permit must pay fees on all seed for which the permit holder
99.29 is the labeler and which are covered by sections 21.80 to 21.92 and sold during the reporting
99.30 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.**

Minnesota Statutes 2024, sections 21.116; 21.118; 21.1196, subdivision 3; 21.121; and 21.122, are repealed.

Sec. 29. **EFFECTIVE DATE.**

This article is effective August 1, 2025.

ARTICLE 6

FOOD HANDLER LICENSING PROVISIONS

Section 1. Minnesota Statutes 2024, section 28A.03, subdivision 7, is amended to read:

Subd. 7. **Principal mode of business.** "Principal mode of business" means that type of business described under paragraph (a), or (b), ~~(c) or (d)~~ in section 28A.05 within which category the greatest amount of the applicant's food business lies.

Sec. 2. Minnesota Statutes 2024, section 28A.03, is amended by adding a subdivision to read:

Subd. 12. **Risk category.** "Risk category" means a classification of the level of food safety risk associated with food handling, processing, preparation, and storage based upon an assessment by regulatory food safety professionals of the potential likelihood and severity of harm.

Sec. 3. Minnesota Statutes 2024, section 28A.03, is amended by adding a subdivision to read:

Subd. 13. **Gross sales or service.** "Gross sales or service" means a calculation in dollars of the total value of food sales or service at the location before taxes or deductions that includes the value of food items held for distribution to other places of business or donated.

101.1 Sec. 4. Minnesota Statutes 2024, section 28A.04, is amended to read:

101.2 **28A.04 LICENSE REQUIRED; CUSTOM PROCESSING PERMIT**

101.3 **APPLICATIONS; RENEWALS.**

101.4 Subdivision 1. **Application; date of issuance.** (a) No person shall engage in the business
101.5 of manufacturing, processing, selling, handling, or storing food without having first obtained
101.6 from the commissioner a license for doing such business. Applications for such license shall
101.7 be made to the commissioner in such manner and time as required and upon such forms as
101.8 provided by the commissioner and shall contain the name and address of the applicant,
101.9 address or description of each place of business, and the nature of the business to be
101.10 conducted at each place, and such other pertinent information as the commissioner may
101.11 require.

101.12 (b) An applicant for a license must submit a nonrefundable application fee of \$50 with
101.13 each license application. The fee under this paragraph does not apply to annual license
101.14 renewals. The fee under this paragraph is not required for applications to operate solely as
101.15 a special event food stand or custom exempt food handler.

101.16 ~~(b)~~ (c) A retail or wholesale food handler license shall be issued for the period July
101.17 January 1 to June 30 following December 31 and shall be renewed thereafter by the licensee
101.18 on or before ~~July~~ January 1 of each year, except that:

101.19 (1) retail and wholesale food handler licenses issued for the period of July 1, 2025, to
101.20 June 30, 2026, must be renewed on or before July 1, 2026, for the period of July 1, 2026,
101.21 to December 31, 2026. The renewal fee for the period of July 1, 2026, to December 31,
101.22 2026, is one-half of the fee for a food handler specified in section 28A.08, subdivision 3;

101.23 ~~(4)~~ (2) licenses for all mobile food concession units and retail mobile units must be
101.24 issued for the period April 1 to March 31, and must be renewed thereafter by the licensee
101.25 on or before April 1 of each year; and

101.26 ~~(2)~~ A license issued for a temporary food concession stand must have a license issuance
101.27 and renewal date consistent with appropriate statutory provisions; and

101.28 (3) a license for a food handler operating only at the State Fair must be issued for the
101.29 period of July 1 to June 30 and must be renewed thereafter by the licensee on or before July
101.30 1 of each year.

101.31 (d) A penalty for late renewal under paragraph (b) must be assessed in accordance with
101.32 section 28A.08.

102.1 ~~(e)~~ (e) A custom exempt food handler license shall be issued for the period July 1 to
102.2 June 30 following and shall must be renewed thereafter by the licensee on or before July 1
102.3 each year. The custom exempt food handler license is for businesses that only conduct
102.4 custom exempt operations and mark all products as "Not For Sale." Food handlers that
102.5 conduct retail exempt operations or other operations other than custom exempt processing
102.6 or slaughter are not eligible for this license.

102.7 ~~(d)~~ A license for a food broker or for a food processor or manufacturer shall be issued
102.8 for the period January 1 to December 31 following and shall be renewed thereafter by the
102.9 licensee on or before January 1 of each year, except that a license for a wholesale food
102.10 processor or manufacturer operating only at the state fair shall be issued for the period July
102.11 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1
102.12 of each year. A penalty for a late renewal shall be assessed in accordance with section
102.13 28A.08.

102.14 ~~(e)~~ (f) On a quarterly basis during the licensing period, the commissioner must prorate
102.15 the fee for an initial license issued under this chapter, except that a person applying for a
102.16 new license up to 14 calendar days before the effective date of the new license period under
102.17 paragraph (b) must be issued a license for the 14 days and the next license year as a single
102.18 license and pay a single license fee as if the 14 days were part of the upcoming license
102.19 period.

102.20 Subd. 2. **Custom processing or Minnesota Meat and Poultry Inspection Act permit.** In
102.21 addition to the license requirements set forth in subdivision 1, every custom exempt processor
102.22 or establishment operating under the Minnesota Meat and Poultry Inspection Act as defined
102.23 in section 31A.31, shall obtain a custom processing permit or Minnesota Meat and Poultry
102.24 Grant of Inspection permit. Application for a permit shall be made on forms provided by
102.25 the commissioner. The commissioner shall cause the ~~eustom~~ processor's place of business
102.26 to be inspected and if the commissioner finds that the applicant's place of business complies
102.27 with state standards relating to meat processing plants, a ~~eustom processing~~ permit under
102.28 this subdivision shall be issued to the applicant. ~~No~~ An additional fee shall of up to \$500
102.29 may be charged for a eustom processing permit under this subdivision.

102.30 Sec. 5. Minnesota Statutes 2024, section 28A.05, is amended to read:

102.31 **28A.05 CLASSIFICATION FOOD HANDLERS.**

102.32 Subdivision 1. Food handler classes. All persons required to have a license under section
102.33 28A.04 shall be classified into one of the following classes of food handlers, according to
102.34 their principal mode of business.

103.1 (a) ~~Retail~~ Food handlers are persons who:

103.2 (1) sell or process and sell food directly to the ultimate consumer or who custom process
103.3 meat or poultry. The term includes a person who sells food directly to the ultimate consumer
103.4 through the use of vending machines, and a person who sells food for consumption on site
103.5 or off site if the sale is conducted on the premises that are part of a grocery or convenience
103.6 store operation;

103.7 ~~(b) Wholesale food handlers are persons who~~ (2) sell to ~~others~~ other business entities or
103.8 establishments for resale, including a person who handles food in job lots ~~(jobbers)~~ is
103.9 ~~included in this classification;~~ or

103.10 ~~(c) Wholesale food processors or manufacturers are persons who~~ (3) process or
103.11 manufacture raw materials and other food ingredients into food items, ~~or who~~ reprocess
103.12 food items, ~~or who~~ package food for sale to ~~others~~ other business entities or establishments
103.13 for resale, or ~~who~~ commercially slaughter animals or poultry. Included herein are persons
103.14 who can, extract, ferment, distill, pickle, bake, freeze, dry, smoke, grind, mix, stuff, pack,
103.15 bottle, recondition, or otherwise treat or preserve food for sale to ~~others~~ other business
103.16 entities or establishments for resale, cold storage warehouse operators as defined in section
103.17 28.01, subdivision 3, salvage food processors as defined in section 31.495, subdivision 1,
103.18 and dairy plants as defined in section 32D.01, subdivision 6.

103.19 ~~(d)~~ (b) Custom exempt food handlers are persons who only conduct custom exempt
103.20 processing as defined in section 31A.02, subdivision 5. A retail or wholesale transaction
103.21 may not take place in a facility operated by a person with a custom exempt food handler
103.22 license.

103.23 ~~(e) A food broker is a person who buys and sells food and who negotiates between a~~
103.24 ~~buyer and a seller of food, but who at no time has custody of the food being bought and~~
103.25 ~~sold.~~

103.26 Sec. 6. Minnesota Statutes 2024, section 28A.06, is amended to read:

103.27 **28A.06 EXTENT OF LICENSE.**

103.28 No person, except as described in section 27.03, shall be required to hold more than one
103.29 license in order to engage in any aspect of food handling ~~described in section 28A.05~~
103.30 ~~provided,~~ except that:

103.31 (1) each issued license shall be valid for no more than one place of business, ~~except that;~~

(2) a license for a mobile unit or a retail food vehicle, portable structure, or cart is valid statewide and is required to be issued only once each year unless the licensee fails to display the license as required by section 28A.07 or it is a seasonal permanent food stand, seasonal temporary food stand, food cart, or special event food stand as defined in section 157.15, in which case the duration of the license is restricted by the limitations found in the definitions in section 157.15; and

(3) the commissioner may authorize a food handler reporting \$50,000 or less gross annual food sales to conduct business activities under the food handler's license at up to two additional locations if:

(i) the food handler has reported each location and activity to the commissioner; and

(ii) the commissioner has approved each location and activity before the food handler conducts business activities at each location.

Sec. 7. Minnesota Statutes 2024, section 28A.07, is amended to read:

28A.07 ISSUANCE OF LICENSE.

Prior to the issuance or renewal of any license herein, the commissioner may cause appropriate inspections to be made to determine under applicable statutory and promulgated rule requirements, the applicant's risk category and fitness to engage in the mode(s) of business activities described in that person's license application. A valid and properly displayed license shall be sufficient to allow the licensee to engage in the manner of food handling so described in the licensee's application, provided that the commissioner may withhold authorization to engage in any aspects of business for which the applicant is not deemed fit under this section. A licensee may, at any time, apply to change such application which shall then be considered by the commissioner in the same manner as a new or renewal application hereunder.

Sec. 8. Minnesota Statutes 2024, section 28A.0753, subdivision 3, is amended to read:

Subd. 3. **Food ~~manufacturer, processor, or distributor~~ handlers who manufacture, process, or distribute; licensing, preemption by state.** When a food ~~manufacturer, processor, or distributor~~ handler described in section 28A.05, subdivision 1, paragraph (a), clauses (2) and (3), is licensed by the commissioner of agriculture, the food ~~manufacturer, processor or distributor~~ handler is exempt from the licensing requirements of any municipal corporation or subdivision of state government, except for licensing requirements which may be imposed by the municipal corporation or subdivision of state government in which

105.1 the ~~manufacturer, processor, or distributor~~ food handler locates a plant. All delivery
105.2 equipment used by such a food ~~manufacturer, processor or distributor~~ handler is included
105.3 within the meaning of this section, whether owned or operated, independently contracted,
105.4 or contracted with a common carrier approved by the commissioner of agriculture. This
105.5 delivery equipment is exempt from licensing by any municipal corporation or subdivision
105.6 of state government except for those requirements which may be imposed by the municipal
105.7 corporation or subdivision of state government in which the equipment is principally located.
105.8 Delivery equipment approved by the commissioner of agriculture shall carry, at all times,
105.9 a certificate of approval for the purposes for which the equipment is utilized. Nothing in
105.10 this section is intended to permit the enactment of an ordinance regulating an activity where
105.11 the state has preempted the field.

105.12 Sec. 9. Minnesota Statutes 2024, section 28A.08, is amended to read:

105.13 **28A.08 LICENSE FEES; PENALTIES.**

105.14 Subdivision 1. **General.** (a) License fees, penalties for late renewal of licenses, and
105.15 penalties for not obtaining a license before conducting business in food handling that are
105.16 set in this section apply to the sections named except as provided under section 28A.09.
105.17 Except as specified herein, bonds and assessments based on number of units operated or
105.18 volume handled or processed which are provided for in said laws shall not be affected, nor
105.19 shall any penalties for late payment of said assessments, nor shall inspection fees, be affected
105.20 by this chapter. The penalties may be waived by the commissioner. Fees for all new licenses
105.21 must be based on the anticipated future gross annual food sales. If a firm is found to be
105.22 operating for multiple years without paying license fees, the state may collect the appropriate
105.23 fees and penalties for each year of operation.

105.24 (b) The commissioner may adjust the fees in subdivision 3 every five years to the inflation
105.25 level established in the United States Bureau of Labor and Statistics Consumer Price Index,
105.26 using July 2025 as the base month and year.

105.27 Subd. 3. **Fees effective ~~July 1, 2003~~ August 1, 2025.**

105.28	Penalties			
105.29	Type of food handler	<u>Risk</u>	License	Late
105.30		<u>Category</u>	Fee	Renewal
105.31			Effective	No
105.32			July 1,	License
105.33			2003	
105.34	1. Retail food handler or Custom exempt food			
105.35	handler			

106.1	(a) Having gross sales of only prepackaged			
106.2	nonperishable food of less than \$15,000			
106.3	for the immediately previous license or			
106.4	fiscal year and filing a statement with the			
106.5	commissioner	\$ 50	\$ 17	\$ 33
106.6	(b) (a) Having under \$15,000 gross sales			
106.7	or service including food preparation or			
106.8	having \$15,000 to \$50,000 or less gross			
106.9	sales or service for the immediately	\$ 77	\$ 25	\$ 51
106.10	previous license or fiscal year	\$135	\$45	\$90
106.11	(c) (b) Having \$50,001 to \$250,000			
106.12	\$125,000 gross sales or service for the	\$155	\$ 51	\$102
106.13	immediately previous license or fiscal year	\$200	\$67	\$133
106.14	(d) (c) Having \$250,001 to \$1,000,000			
106.15	\$500,000 gross sales or service			
106.16	for the immediately previous license or	\$276	\$ 91	\$182
106.17	fiscal year	\$370	\$123	\$247
106.18	(e) (d) Having \$1,000,001 to \$5,000,000			
106.19	\$1,000,000 gross sales or			
106.20	service for the immediately previous	\$799	\$264	\$527
106.21	license or fiscal year	\$475	\$158	\$317
106.22	(f) (e) Having \$5,000,001 to \$10,000,000			
106.23	\$5,000,000 gross sales or			
106.24	service for the immediately previous	\$1,162	\$383	\$767
106.25	license or fiscal year	\$1,350	\$450	\$900
106.26	(f) Having \$5,000,001 to \$10,000,000 gross			
106.27	sales or service for the immediately			
106.28	previous license or fiscal year	\$1,750	\$583	\$1,167
106.29	(g) Having \$10,000,001 to \$15,000,000			
106.30	gross sales or service for the immediately	\$1,376	\$454	\$908
106.31	previous license or fiscal year	\$2,150	\$717	\$1,433
106.32	(h) Having \$15,000,001 to \$20,000,000			
106.33	gross sales or service for the immediately	\$1,607	\$530	\$1,061
106.34	previous license or fiscal year	\$2,550	\$849	\$1,700
106.35	(i) Having \$20,000,001 to \$25,000,000			
106.36	gross sales or service for the immediately	\$1,847	\$610	\$1,219
106.37	previous license or fiscal year	\$2,950	\$984	\$1,967
106.38	(j) Having over \$25,000,001 gross sales or			
106.39	service for the immediately previous	\$2,001	\$660	\$1,321
106.40	license or fiscal year	\$3,350	\$1,117	\$2,233
106.41	2. Wholesale Food handler			
106.42	<u>(a) Having gross sales of only prepackaged</u>			
106.43	<u>nonperishable food of less than \$30,000</u>			
106.44	<u>for the immediately previous license or</u>			
106.45	<u>fiscal year and filing a statement with the</u>			
106.46	<u>commissioner</u>	<u>\$90</u>	<u>\$30</u>	<u>\$60</u>
106.47		<u>\$ 57</u>	<u>\$ 19</u>	<u>\$ 38</u>
106.48	(a) (b) Having gross sales or service of less	<u>High</u>		
106.49	than \$25,000 \$50,000 for the immediately	<u>Medium</u>		
106.50	previous license or fiscal year	<u>Low</u>		
		<u>\$285</u>	<u>\$95</u>	<u>\$190</u>
		<u>\$195</u>	<u>\$65</u>	<u>\$130</u>
		<u>\$135</u>	<u>\$45</u>	<u>\$90</u>

107.1	(b) (c) Having \$25,001 <u>\$50,001</u> to		\$284	\$94	\$187
107.2	<u>\$250,000</u> <u>\$125,000</u> gross sales or service	High	\$350	\$117	\$233
107.3	for the immediately previous license or	Medium	\$260	\$87	\$173
107.4	fiscal year	Low	\$200	\$67	\$133
107.5	(e) (d) Having \$250,001 <u>\$125,001</u> to				
107.6	<u>\$1,000,000</u> <u>\$250,000</u> gross sales or service		\$444	\$147	\$293
107.7	from a mobile unit without a separate food	High	\$415	\$138	\$277
107.8	facility for the immediately previous	Medium	\$350	\$117	\$233
107.9	license or fiscal year	Low	\$265	\$ 88	\$177
107.10	(d) (e) Having <u>\$250,001</u> to \$1,000,000		\$590	\$195	\$389
107.11	<u>\$500,000</u> gross sales or service not covered	High	\$520	\$173	\$347
107.12	under paragraph (e) for the immediately	Medium	\$430	\$143	\$287
107.13	previous license or fiscal year	Low	\$370	\$123	\$247
107.14	(e) (f) Having \$1,000,001 <u>\$500,001</u> to		\$769	\$254	\$508
107.15	<u>\$5,000,000</u> <u>\$1,000,000</u> gross sales or	High	\$625	\$208	\$417
107.16	service for the immediately previous	Medium	\$535	\$178	\$357
107.17	license or fiscal year	Low	\$475	\$158	\$317
107.18	(f) (g) Having \$5,000,001 <u>\$1,000,001</u> to		\$920	\$304	\$607
107.19	<u>\$10,000,000</u> <u>\$5,000,000</u> gross sales or	High	\$1,500	\$500	\$1,000
107.20	service for the immediately previous	Medium	\$1,425	\$475	\$950
107.21	license or fiscal year	Low	\$1,350	\$450	\$900
107.22	(h) Having <u>\$5,000,001</u> to <u>\$10,000,000</u>	High	\$1,900	\$633	\$1,267
107.23	<u>gross sales or service for the immediately</u>	Medium	\$1,825	\$608	\$1,217
107.24	<u>previous license or fiscal year</u>	Low	\$1,750	\$583	\$1,167
107.25			\$990	\$327	\$653
107.26	(g) (i) Having <u>\$10,000,001</u> to <u>\$15,000,000</u>	High	\$2,300	\$767	\$1,533
107.27	<u>gross sales or service for the immediately</u>	Medium	\$2,225	\$742	\$1,483
107.28	<u>previous license or fiscal year</u>	Low	\$2,150	\$717	\$1,433
107.29			\$1,156	\$381	\$763
107.30	(h) (j) Having <u>\$15,000,001</u> to <u>\$20,000,000</u>	High	\$2,700	\$900	\$1,800
107.31	<u>gross sales or service for the immediately</u>	Medium	\$2,625	\$875	\$1,750
107.32	<u>previous license or fiscal year</u>	Low	\$2,550	\$849	\$1,700
107.33			\$1,329	\$439	\$877
107.34	(i) (k) Having <u>\$20,000,001</u> to <u>\$25,000,000</u>	High	\$3,100	\$1,033	\$2,067
107.35	<u>gross sales or service for the immediately</u>	Medium	\$3,025	\$1,008	\$2,017
107.36	<u>previous license or fiscal year</u>	Low	\$2,950	\$984	\$1,967
107.37			\$1,502	\$496	\$991
107.38	(j) (l) Having over <u>\$25,000,001</u> or more to	High	\$3,500	\$1,167	\$2,333
107.39	<u>\$50,000,000</u> gross sales or service for the	Medium	\$3,425	\$1,142	\$2,283
107.40	<u>immediately previous license or fiscal year</u>	Low	\$3,350	\$1,117	\$2,233
107.41	(m) Having <u>\$50,000,001</u> to <u>\$100,000,000</u>	High	\$4,000	\$1,334	\$2,667
107.42	<u>gross sales or service for the immediately</u>	Medium	\$3,925	\$1,309	\$2,617
107.43	<u>previous license or fiscal year</u>	Low	\$3,850	\$1,284	\$2,567
107.44	(n) Having <u>\$100,000,001</u> or more gross	High	\$4,500	\$1,500	\$3,000
107.45	<u>sales or service for the immediately</u>	Medium	\$4,425	\$1,475	\$2,950
107.46	<u>previous license or fiscal year</u>	Low	\$4,350	\$1,450	\$2,900
107.47	3. Food broker Food handler operating under				
107.48	<u>authority of this chapter solely as a special</u>				
107.49	<u>event food stand as defined in Minnesota</u>		\$150	\$ 50	\$ 99
107.50	<u>Statutes, section 157.15</u>		\$75	\$25	\$50
107.51	4. Wholesale food processor or manufacturer				

108.1	(a) Having gross sales or service of less			
108.2	than \$125,000 for the immediately previous			
108.3	license or fiscal year	\$169	\$56	\$112
108.4	(b) Having \$125,001 to \$250,000 gross			
108.5	sales or service for the immediately			
108.6	previous license or fiscal year	\$392	\$129	\$259
108.7	(c) Having \$250,001 to \$1,000,000 gross			
108.8	sales or service for the immediately			
108.9	previous license or fiscal year	\$590	\$195	\$389
108.10	(d) Having \$1,000,001 to \$5,000,000 gross			
108.11	sales or service for the immediately			
108.12	previous license or fiscal year	\$769	\$254	\$508
108.13	(e) Having \$5,000,001 to \$10,000,000			
108.14	gross sales or service for the immediately			
108.15	previous license or fiscal year	\$920	\$304	\$607
108.16	(f) Having \$10,000,001 to \$15,000,000			
108.17	gross sales or service for the immediately			
108.18	previous license or fiscal year	\$1,377	\$454	\$909
108.19	(g) Having \$15,000,001 to \$20,000,000			
108.20	gross sales or service for the immediately			
108.21	previous license or fiscal year	\$1,608	\$531	\$1,061
108.22	(h) Having \$20,000,001 to \$25,000,000			
108.23	gross sales or service for the immediately			
108.24	previous license or fiscal year	\$1,849	\$610	\$1,220
108.25	(i) Having \$25,000,001 to \$50,000,000			
108.26	gross sales or service for the immediately			
108.27	previous license or fiscal year	\$2,090	\$690	\$1,379
108.28	(j) Having \$50,000,001 to \$100,000,000			
108.29	gross sales or service for the immediately			
108.30	previous license or fiscal year	\$2,330	\$769	\$1,538
108.31	(k) Having \$100,000,000 or more gross			
108.32	sales or service for the immediately			
108.33	previous license or fiscal year	\$2,571	\$848	\$1,697
108.34	5. Wholesale food processor of Meat or			
108.35	poultry products processing solely under			
108.36	supervision of the U.S. Department of			
108.37	Agriculture			
108.38	(a) Having gross sales or service of less			
108.39	than \$125,000 for the immediately previous	\$112	\$37	\$74
108.40	license or fiscal year	<u>\$190</u>	<u>\$63</u>	<u>\$127</u>
108.41	(b) Having \$125,001 to \$250,000 gross			
108.42	sales or service for the immediately	\$214	\$71	\$141
108.43	previous license or fiscal year	<u>\$365</u>	<u>\$122</u>	<u>\$243</u>
108.44	(c) Having \$250,001 to \$1,000,000			
108.45	<u>\$500,000</u> gross sales or service for the	\$333	\$110	\$220
108.46	immediately previous license or fiscal year	<u>\$450</u>	<u>\$150</u>	<u>\$300</u>
108.47	(d) Having \$500,001 to \$1,000,000 gross			
108.48	<u>sales or service for the immediately</u>			
108.49	<u>previous license or fiscal year</u>	<u>\$565</u>	<u>\$188</u>	<u>\$377</u>

109.1	(d) (e) Having \$1,000,001 to \$5,000,000			
109.2	gross sales or service for the immediately	\$425	\$140	\$281
109.3	previous license or fiscal year	<u>\$725</u>	<u>\$241</u>	<u>\$483</u>
109.4	(e) (f) Having \$5,000,001 to \$10,000,000			
109.5	gross sales or service for the immediately	\$521	\$172	\$344
109.6	previous license or fiscal year	<u>\$885</u>	<u>\$295</u>	<u>\$590</u>
109.7	(f) (g) Having \$10,000,001 to \$15,000,000			
109.8	gross sales or service for the immediately	\$765	\$252	\$505
109.9	previous license or fiscal year	<u>\$1,305</u>	<u>\$435</u>	<u>\$807</u>
109.10	(g) (h) Having \$15,000,001 to \$20,000,000			
109.11	gross sales or service for the immediately	\$893	\$295	\$589
109.12	previous license or fiscal year	<u>\$1,515</u>	<u>\$505</u>	<u>\$1,010</u>
109.13	(h) (i) Having \$20,000,001 to \$25,000,000			
109.14	gross sales or service for the immediately	\$1,027	\$339	\$678
109.15	previous license or fiscal year	<u>\$1,745</u>	<u>\$582</u>	<u>\$1,163</u>
109.16	(i) (j) Having \$25,000,001 to \$50,000,000			
109.17	gross sales or service for the immediately	\$1,161	\$383	\$766
109.18	previous license or fiscal year	<u>\$1,975</u>	<u>\$658</u>	<u>\$1,317</u>
109.19	(j) (k) Having \$50,000,001 to \$100,000,000			
109.20	gross sales or service for the immediately	\$1,295	\$427	\$855
109.21	previous license or fiscal year	<u>\$2,215</u>	<u>\$738</u>	<u>\$1,477</u>
109.22	(k) (l) Having \$100,000,001 or more gross			
109.23	sales or service for the immediately	\$1,428	\$471	\$942
109.24	previous license or fiscal year	<u>\$2,465</u>	<u>\$822</u>	<u>\$1,643</u>
109.25	6. Wholesale food processor or manufacturer			
109.26	operating only at the State Fair	\$125	\$40	\$50
109.27	7. Wholesale food manufacturer having the			
109.28	permission of the commissioner to use the			
109.29	name Minnesota Farmstead cheese	\$30	\$10	\$15
109.30	8. Wholesale food manufacturer processing			
109.31	less than 700,000 pounds per year of raw			
109.32	milk	\$30	\$10	\$15
109.33	9. A milk marketing organization without			
109.34	facilities for processing or manufacturing			
109.35	that purchases milk from milk producers			
109.36	for delivery to a licensed wholesale food			
109.37	processor or manufacturer	\$50	\$15	\$25

109.38 Subd. 4. **Food handler license account; appropriation.** A food handler license account
109.39 is established in the agricultural fund. Fees paid under subdivision 3 and section 28A.04
109.40 must be deposited in this account. Money in the account, including interest, is appropriated
109.41 to the commissioner for expenses relating to licensing and inspecting regulating food handlers
109.42 under chapters 28 to 34A or rules adopted under one of those chapters.

109.43 Sec. 10. Minnesota Statutes 2024, section 28A.081, subdivision 1, is amended to read:

109.44 Subdivision 1. **Fee.** A fee of \$125 for each certificate shall be charged to any person
109.45 who requests a certificate issued by the Minnesota Department of Agriculture to facilitate

110.1 the movement of Minnesota processed and manufactured foods destined for export from
110.2 the state of Minnesota. Certificates include, but are not limited to, a certificate of free sale,
110.3 certificate of export, certificate of sanitation, sanitary certificate, certificate of origin and/or
110.4 free sale, certificate of health and/or free sale, sanitation, and purity, certificate of free trade,
110.5 certificate of free sale, sanitation, purity, and origin, certificate of health, sanitation, purity,
110.6 and free sale, and letter of plant certification.

110.7 The commissioner ~~shall~~ must receive payment with the request or bill the requesting
110.8 person within seven days after issuing a certificate to the person. The requesting person
110.9 must submit payment for a certificate at the time of receiving the request or within ten days
110.10 of the billing date. If a certificate fee payment is not received within 15 days of the billing
110.11 date, the commissioner may not issue any future certificates to the requesting person until
110.12 previous fees due are paid in full. Fees paid under this section must be deposited in the food
110.13 certificate account established under subdivision 2 or another account in the agricultural
110.14 fund if the expenses for the certificate will be paid from that other account.

110.15 Sec. 11. Minnesota Statutes 2024, section 28A.085, subdivision 1, is amended to read:

110.16 Subdivision 1. **Violations; prohibited acts.** The commissioner may charge a reinspection
110.17 fee for each reinspection of a food handler or custom exempt food handler that:

110.18 (1) is found with a major violation of requirements in chapter 28, 29, 30, 31, 31A, 32D,
110.19 33, or 34, or rules adopted under one of those chapters; or

110.20 (2) fails to correct equipment and facility deficiencies as required in rules adopted under
110.21 chapter 28, 29, 30, 31, 31A, 32D, or 34.

110.22 The first reinspection of a firm with gross food sales under \$1,000,000 must be assessed
110.23 at ~~\$150~~ \$250. The fee for a firm with gross food sales over \$1,000,000 is ~~\$200~~ \$300. The
110.24 fee for a subsequent reinspection of a firm for the same violation is 50 percent of their
110.25 current license fee or ~~\$300~~ \$500, whichever is greater. The establishment must be issued
110.26 written notice of violations with a reasonable date for compliance listed on the notice. An
110.27 initial inspection relating to a complaint is not a reinspection.

110.28 Sec. 12. Minnesota Statutes 2024, section 28A.14, is amended to read:

110.29 **28A.14 TRANSFER OF BUSINESS.**

110.30 (a) Except as provided in paragraph (b), a transfer of a business or a discontinuance of
110.31 its operation by the licensee at the address covered by the license voids the license and the

111.1 license certificate shall be surrendered to the commissioner immediately by anyone in
111.2 possession of the same.

111.3 (b) If a licensee discontinues operating at an additional location authorized under section
111.4 28A.06, the license is not void if the licensee has provided written notification to the
111.5 commissioner.

111.6 Sec. 13. Minnesota Statutes 2024, section 28A.151, subdivision 2, is amended to read:

111.7 Subd. 2. **Food sampling and demonstration.** (a) Food used in sampling and
111.8 demonstration must be obtained from sources that comply with Minnesota Food Law.

111.9 (b) Raw animal, raw poultry, and raw fish products must not be served as samples.

111.10 (c) Food product sampling or food product demonstrations, ~~including~~ that contain cooked
111.11 animal, poultry, or fish products, must be prepared on site at the event.

111.12 (d) Animal or poultry products used for food product sampling or food product
111.13 demonstrations must ~~be~~ originate from animals slaughtered under continuous inspection,
111.14 either by the USDA or through Minnesota's "Equal-to" inspection program.

111.15 (e) The licensing provisions of sections 28A.01 to 28A.16 shall not apply to persons
111.16 engaged in food product sampling or food product demonstrations.

111.17 Sec. 14. Minnesota Statutes 2024, section 28A.17, is amended to read:

111.18 **28A.17 LICENSE RENEWAL.**

111.19 Licenses for food ~~processors or manufacturers or food brokers~~ handlers shall be renewed
111.20 annually ~~on January 1. Licenses for retail and wholesale food handlers shall be renewed~~
111.21 ~~annually on July 1. Licenses for mobile food concessions and for retail mobile units shall~~
111.22 ~~be renewed annually on April 1~~ prior to the end of the licensing period. Approval of license
111.23 renewal is contingent upon conditions described in section 28A.07 and payment of license
111.24 fees identified in section 28A.08.

111.25 Sec. 15. **EFFECTIVE DATE.**

111.26 This article is effective August 1, 2025."

111.27 Delete the title and insert:

111.28 "A bill for an act
111.29 relating to state government; establishing a budget for the Department of
111.30 Agriculture, the Board of Animal Health, the Agricultural Utilization Research
111.31 Institute, and the Office of Broadband Development; making policy and technical
111.32 changes to agriculture provisions; transferring money; appropriating money;

112.1 modifying and establishing fees; requiring reports; modifying livestock marketing
112.2 agency and dealer licensing provisions; modifying seed potato provisions;
112.3 modifying food handler licensing provisions; amending Minnesota Statutes 2024,
112.4 sections 17.1017; 17.1018; 17.117, subdivisions 1, 3; 17.118, subdivisions 1, 2,
112.5 3; 17.133, subdivision 1; 17A.03, subdivisions 8, 10, 11, by adding a subdivision;
112.6 17A.04, subdivisions 1, 2, 4, 6, 7, 8; 17A.06, subdivisions 2, 3; 17A.07; 17A.08;
112.7 17A.15; 18B.26, subdivision 8; 18C.111, by adding a subdivision; 18J.01; 18J.02;
112.8 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07,
112.9 subdivisions 3, 4, 5; 18J.09; 21.111; 21.112, by adding a subdivision; 21.113;
112.10 21.115; 21.117; 21.119; 21.1195; 21.1196, subdivision 2; 21.891, subdivision 2;
112.11 28A.03, subdivision 7, by adding subdivisions; 28A.04; 28A.05; 28A.06; 28A.07;
112.12 28A.0753, subdivision 3; 28A.08; 28A.081, subdivision 1; 28A.085, subdivision
112.13 1; 28A.14; 28A.151, subdivision 2; 28A.17; 32D.01, by adding a subdivision;
112.14 35.155, subdivision 12; 41A.09, subdivision 2a; 41A.16, subdivision 7; 41A.30,
112.15 subdivision 1; 41B.039, subdivision 2; 41B.0391, subdivisions 1, 2, 4, 6; 41B.04,
112.16 subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b; 41B.045,
112.17 subdivision 2; 41B.047, subdivision 3; 41B.056, subdivision 1; 41B.057,
112.18 subdivisions 1, 3; 223.17, subdivision 3; 232.22, subdivision 3; 239.761,
112.19 subdivisions 3, 4, 5, 6; 296A.01, subdivisions 20, 23, 24; Laws 2023, chapter 43,
112.20 article 1, section 2, subdivision 4, as amended; proposing coding for new law in
112.21 Minnesota Statutes, chapters 21; 32D; 343; repealing Minnesota Statutes 2024,
112.22 sections 21.116; 21.118; 21.1196, subdivision 3; 21.121; 21.122; 35.68; 35.830;
112.23 239.77, subdivision 5; Minnesota Rules, parts 1510.2300; 1510.2305; 1510.2310;
112.24 1510.2315; 1510.2320; 1510.2325; 1510.2330; 1510.2335; 1510.2340; 1510.2345;
112.25 1510.2350; 1510.2355, subparts 1, 2, 3a, 4, 5, 6, 7."