

07 - 0011

Report to the State Legislature:
Recommendations from the
Ag Nutrient Task Force

Date: March 6, 2006

- The additional fertilizer tonnage research and education fee must be refundable;
- With the assistance of the MDA, the Council will further address the refund issue;
- An annual fiscal audit will be conducted on the financial aspects of the AG Fertilizer Research and Education Council and the report will be available to producers using the MN Soybean Growers method as a model;
- The council be comprised of 12 voting members from: MN Crop Production Retailers (2); MN Corn Growers (1); MN Soybean Growers (1); Sugarbeet Growers (1); MN Wheat Growers/Council (1); Potato Growers (1); Farm Bureau (1); Farmers Union (1), Irrigators Assoc. (1), MN Grain and Feed Assoc. (1), and a Crop Consultant (1) appointed by the Commissioner of AG;
- Members of the council will be nominated by their organization and subject to official appointment by the Commissioner of Agriculture. The crop consultant representative will be appointed directly by the Commissioner;
- The council must achieve a two-third vote for funding approval;
- The official name of the council will be the "Minnesota Agricultural Fertilizer Research and Education Council";
- Membership on the council will consist of 3-year terms, with one-third of member replacement annually;
- The council can add ex-officio, non-voting members, at their discretion;
- The council will meet at least once per year;
- Travel expenses are to be reimbursed by their sponsoring organization;
- All research projects that are funded are subject to: 1) thorough in-state and out-state peer review; 2) contain a component of outreach and timely dissemination of information to the production agricultural community; and 3) required annual written research reports.
- Eligible activities include research, education and technology transfer;
- Research is the principle purpose of the Council. Additionally, education projects should include a non-ag educational component; and
- In order to facilitate the collection of fees and refunds, the Council would begin in January.

As related to On-Farm Bulk Liquid Storage:

- The ANTF recommends that the legislature review the liability issue as it pertains to on-farm bulk storage of liquid fertilizer and that ownership of the fertilizer product be a main factor with regard to liability; and
- The ANTF also recommends, either through rule or statute, that on farm storage of bulk liquid fertilizer be defined as greater than 6,000 gallons per site.

As related to the Production of Methamphetamine:

- No additional requirements (such as tank locking mechanisms, fencing; or anhydrous ammonia additives) to address methamphetamine production are recommended; and
- The ANTF also recommends that the legislature encourage other states to pass legislation to restrict the sale of pseudoephedrine.

INTRODUCTION and BACKGROUND

(From MN Laws 2005 Chapter 1, 1st SP Session Act 1, Section 94)

(a) There is created an Agricultural Nutrient Task Force consisting of two members of the senate appointed by the chair of the senate Committee on Agriculture, Veterans and Gaming; two members of the house of representatives appointed by the chair of the house Committee on Agriculture and Rural Development, and at least 15 public members appointed by the commissioner of agriculture. The public members must be broadly representative of the diverse range of persons interested in and knowledgeable about agricultural soil nutrients and must include representatives of agricultural crop growers, fertilizer retailers, soil nutrient consultants, and agricultural soil and nutrient researchers. Public members of the task force must serve without compensation or reimbursement of personal expenses.

(b) The commissioner of agriculture must convene the first meeting of the task force and must provide office support services to the task force as needed. The task force may determine the date, location, and agenda of additional meetings.

(c) The task force must review and make recommendations on at least the following topics and practices:

(1) The need for research, education, and training in the selection and application of agricultural fertilizer and soil nutrients in the state;

(2) The imposition of a tonnage fee on all agricultural fertilizer applied in Minnesota and the designated uses of the proceeds from the fee;

(3) The desirability of amending statutes and rules that apply to the selection, purchase, storage, and application of agricultural fertilizer and soil nutrients, including the reasonableness of rules for their on-farm storage; and

(4) Methods of inspection and monitoring for compliance with fertilizer regulations to protect against the theft of anhydrous ammonia for production of methamphetamine.

(d) On behalf of the task force, not later than February 15, 2006, the commissioner of agriculture shall prepare and deliver to the standing agriculture policy committees of the senate and the house of representatives a report and list of recommendations for changes in statutes and rules.

(e) The task force expires June 30, 2006.

Meeting #1: September 12, 2005 St. Paul

One of the key objectives of the first meeting was to make sure that the members understood the basic issues and challenges associated with the legislative tasks. This background information would later help the members in determining the appropriate rules of order for the remaining meetings. Basic overviews were presented on the following topics: 1) Fertilizer Inspection Account; 2) On- Farm Bulk Fertilizer Storage Issues; 3) Fertilizer Fee Structures; and 4) Programs of Neighboring States. Members were then polled as to their priorities, issues of concern and expectations. The ANTF elected Mr. Randy Kramer as chairperson, formalized the rules of order, and selected the topics for the upcoming meetings.

Meeting #2: November 2, 2005 Willmar

The purpose of the meeting was to further develop a background on the issues associated with fertilizer and nutrients research in Minnesota and the Midwest. MDA staff reported on the existing research funding by Minnesota commodity organizations as requested by the task force. Dr. George Rehm provided an overview of the fertility research needs and university funding. A comparison of several existing fertilizer check off programs from other states was presented and discussed.

Meeting #3: November 28, 2005 Willmar

The third meeting of the task force was the only meeting that was poorly attended by the task force members due to a winter storm. A quorum was present and some of the members attempted to participate by conference call however the conference call system was marginally effective. Because of weather and travel concerns, the original agenda was modified. The meeting included a discussion of the existing MDA fertilizer fees and programs; uses of new fees; and discussion of fertilizer research check-off and dedicated research fee proposals. The ANTF then began developing the basic framework of a fertilizer research and education program and voted on numerous components.

Meeting #4: January 9, 2006 Willmar

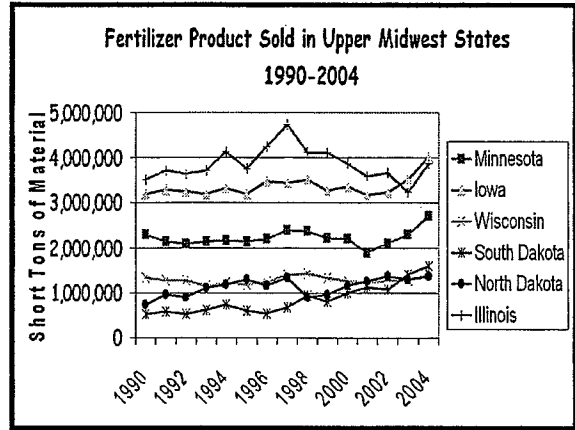
This meeting included discussion and decisions on all four legislative topics that were assigned to the ANTF. Information was presented on the use of the recent fertilizer fee changes, on farm bulk liquid fertilizer storage policy and program, methamphetamine issues related to anhydrous ammonia, and fertilizer research check-off and dedicated research fee proposals. The ANTF was able to make final decisions on bulk fertilizer on farm storage and methamphetamine issues. However, the ANTF also agreed that more discussion was necessary for the issues related to a fertilizer research program and an additional meeting was planned.

Meeting #5: February 10, 2006 Willmar

At the final meeting the ANTF briefly discussed the University of Minnesota's proposed future research needs. Mr. Kevin Papp (Minnesota Farm Bureau) updated the ANTF on the recently released report titled "*Applied Research and Outreach Needs for Minnesota Agriculture*". The ANTF used the rest of the day to discuss and voted on the key recommendations to be included in the report.

MN DEPARTMENT OF AGRICULTURE'S FERTILIZER BUDGET

Minnesota's fertilizer consumption, including non-agricultural uses, ranges between 2 to 2.5 million tons of material. With the exception of 2004, fertilizer sales have remained fairly consistent over the last decade. This translates into a very stable funding source since the state uses a tonnage fee approach for generating supporting revenue.

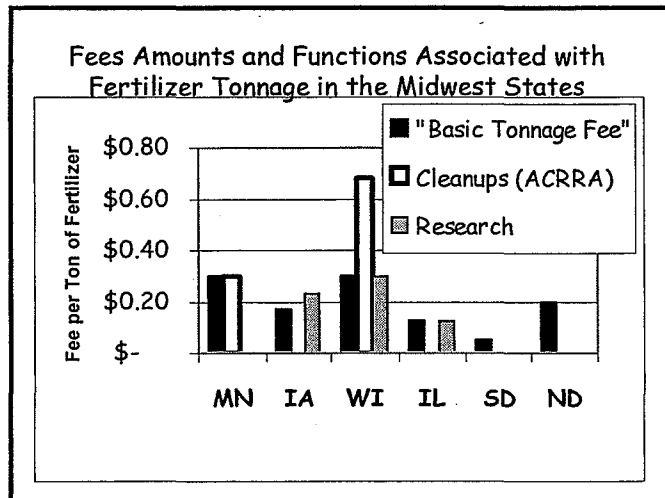


MDA is responsible for regulating fertilizer sales, use, storage and environmental responses through M.S.18 C, M.S. 18 D, M.S. 18 E and M.S.103 H (Groundwater Protection Act). A brief summary of the fees, fee changes, significant legislation, and associated responsibilities are summarized in Table 2.

Table 2. History of Fertilizer Tonnage Fees and Associated Responsibilities at the Minnesota Department of Agriculture	
Timelines and Legislative Actions	Fertilizer Related Responsibilities at the MN Department of Agriculture
Prior to 1990 Fee: 10 cents per ton	Facility Inspections, Permitting and Labeling Issues
1990 through 2005 (Groundwater Protection Act passed in 1989) Fee: Non-ACRRA functions raised from 10 to 15 cents/ton; ACRRA ¹ funded @ 15 or 30 cents	Facility Inspections, Permitting, Anhydrous Ammonia regulations, and Labeling Issues ACRRA Cleanup Program Certification of Soil Testing Laboratories Secondary Containment at Dealerships Limited Non-Point Groundwater Protection Activities
2005 State Legislature Approves Tonnage Fee Increases to Address Regulatory and Environmental Issues; Fee: Non-ACRRA function raised from 15 to 30 cents/ton; ACRRA remains at 30 cents	Retailer Inspections and Guaranteed Analysis ACRRA Cleanup Program Certification of Soil Testing Laboratories Secondary Containment at Dealerships On-Farm Bulk Liquid Fertilizer Storage and Containment Issues Expand Non-Point Groundwater Protection Activities to address Groundwater Protection Act responsibilities.

¹ Agricultural Chemical Response and Reimbursement Account Program (ACRRA). ACRRA surcharges are adjusted by the Commissioner of Agriculture and based on fertilizer regulatory fees that are set in statute.

A cost comparison of tonnage fees across neighboring states is provided below. For comparative purposes, fees were categorized into three main classes: “**Basic Tonnage Fees**”, “**Cleanup**” programs, and “**Research**”. Basic Tonnage Fees include many traditional uses of fertilizer tonnage fees including inspections, guaranteed analysis compliance, labeling, and enforcement. In Minnesota, this category also includes responsibilities associated with the Groundwater Protection Act.



Minnesota and Wisconsin are unique in having “Cleanup” programs like ACRRA. As previously stated, Minnesota’s program is funded at 30 cents per ton plus additional licensing fees. Wisconsin recently reduced their fees from \$0.86 to \$0.68 per ton.

The “Research” category is considerably more difficult to define. For example, Wisconsin has a \$0.30/ton research tonnage fee. Ten cents (\$0.10) is dedicated to the Extension Service’s Nutrient Management Program for fertilizer related educational programs. Another \$0.10 is considered a groundwater fee and is used for water monitoring activities. The last \$0.10 is devoted for research and education and is administered by the Fertilizer Research Council.

Illinois’ research program is quite simplistic compared to the Wisconsin program. Twelve and a half cents (\$0.125) goes into a research account administered by the Fertilizer Research and Education Council.

In contrast, Iowa generates its research funds (approximately \$750,000) by charging an additional \$0.915/ton on solely on nitrogen fertilizer. Thirty-five percent of this fund goes to the Leopold Center to fund fertilizer research and education. The remaining sixty-five percent goes to ag drainage demonstrations, well sealing, private well testing and other related functions. North and South Dakota fees are used for basic regulatory functions.

The current total fees, including basic tonnage fees, research and clean-up programs, were then calculated on a per-acre basis using the total amount of cropland in each state as reported by the National Ag Statistics Service. Costs per acre range from \$0.01 to \$0.18 per acre.

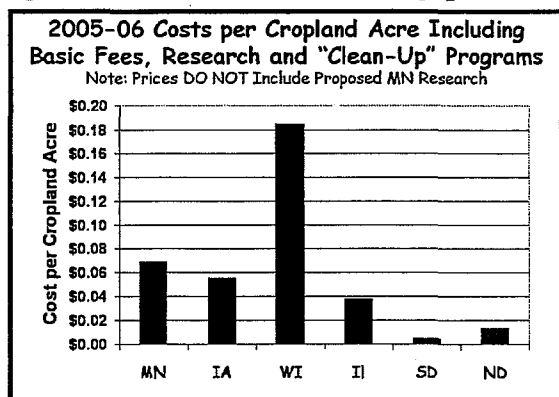


Table 4. RESEARCH NEEDS FOR THE NEAR FUTURE¹

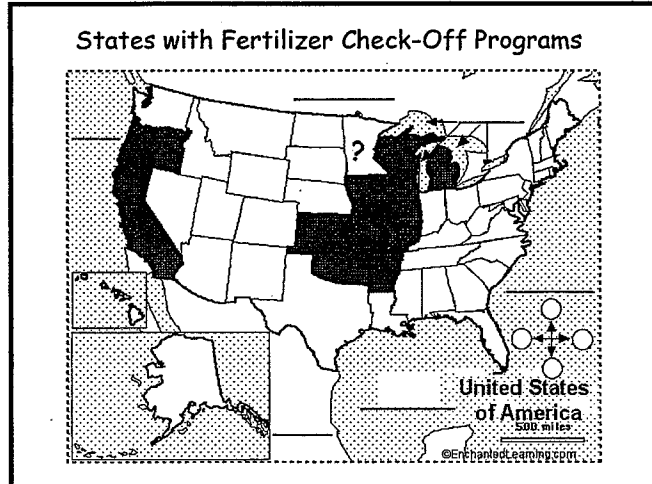
Prepared for the AG Nutrient Task Force by George Rehm, John Lamb and Carl Rosen-Department of Soil, Water and Climate, University of Minnesota

- 1. Farming Without Anhydrous**
High energy costs will continue to place more dependence on foreign manufactured urea. This shift will place more emphasis on nitrogen management practices that are appropriate for the entire growing season.
- 2. Fertilizer Requirements In A High Yield Environment**
Without question, crop yields have improved dramatically in the past few years. It's an appropriate time to re-evaluate and re-examine guidelines. This could come from current data and a need for new data. Fertilizer management practices in a high yield environment must be addressed.
- 3. A Marriage For Manure And Commercial Fertilizer Use**
Livestock manure, once almost ignored, is becoming a more important resource for economic crop production. Traditionally, manure has been viewed as a sole source of nutrients. Perhaps, there are ideal combinations of manure and commercial fertilizer. This concept has not been touched in previous research efforts.
- 4. Fertility Management In Conservation Tillage Systems**
Adoption of conservation tillage production systems is projected to increase. Some aspects of fertilizer management for these systems are known.
- 5. Fertilizer Management Using Precision Technologies**
Opportunities for use of precision technologies including remote sensing in crop production are expanding. This is especially true with fertilizer use. The challenge is to make the use of these technologies profitable. Strategies for achieving this profitability must be based on research, designed to evaluate the effectiveness.
- 6. Forage Fertilization**
There is general agreement that adequate fertilization is important to profitable forage production. A comprehensive research program to provide up-to-date recommendations for all forage crops is needed in Minnesota.
- 7. An In-Depth Examination of Phosphorus and Potassium For Crop Production In Minnesota**
Long recognized as important nutrients for crop production, the dynamics of potassium and phosphorus in modern production systems are not well understood. Three are major questions that must be answered.
- 8. Long Term Nutrient Management Philosophies In The Whole Crop Rotation**
Managing nutrients for one crop in any rotation can affect residual soil test values. The effect of these changes on other crops in a rotation should be investigated.
- 9. Nutrient Management In A Biomass World**
The use of crops for production of energy is becoming a reality. Nutrient management for production of these crops used for energy production may be different from those used when crops are grown for food. Utilization of crops for energy production may also affect chemical, biological, and physical soil properties.
- 10. Interaction With Factors That Stress Crops**
Crop stress is a major concern of crop producers. Stress cannot usually be predicted. Yet, there are management practices that can be used to reduce the severity of the stress. Nutrient management may be one of those practices. Potential interactions with stress factors have not been researched. This is a new area of research with many possibilities.

¹ For discussion purposes at the 2-10-06 ANTF meeting

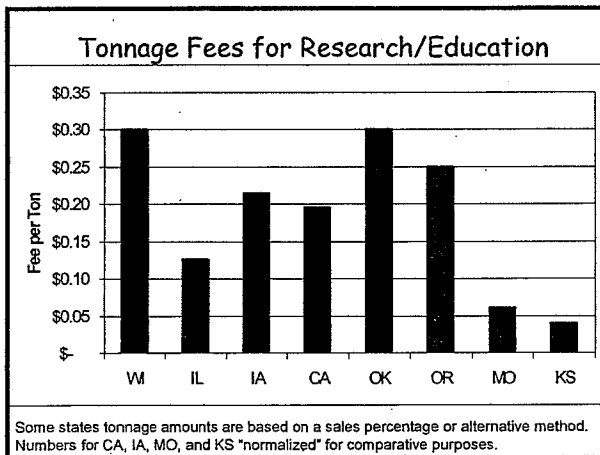
FERTILIZER RESEARCH PROGRAMS IN OTHER STATES

Ten states currently have research programs funded by a fertilizer tonnage fee or sales tax. MDA staff examined many of these programs in terms of program structure, fee amounts and designated purpose, the research board composition, proposal review processes, and associated educational activities. The analysis can be found in Table 5 and includes information from Wisconsin, Illinois, Iowa, California, Oklahoma, Kansas, Oregon⁴ and Missouri.



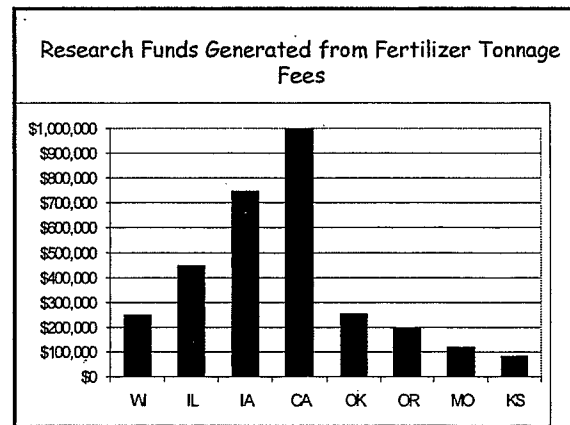
Most states charge a set tonnage fee across all fertilizer products. However there are some notable exceptions. Iowa, as

previously described, funds research and corresponding environmental programs with a \$0.915/ton fee on nitrogen content. California funds fertilizer research program by charging a 1 mill (\$0.001) sales tax across all fertilizer products. In cases such as Iowa and California, tonnage fees were “normalized” so they could be compared directly to states that use a straight tonnage fee approach. This was calculated by simply taking the average amount of dollars



available for research and dividing by the annual total fertilizer tonnage.⁵

The “normalized” tonnage fees range from \$0.04 (Kansas) to \$0.30 (Wisconsin and Oklahoma) per ton. Each state is somewhat unique in how they administer the fertilizer research programs. Readers are highly encouraged to carefully review the comparison matrix (Table 5).



⁴ Due to space limitations, Oregon and Missouri are not listed but are available from the ANTF website.

⁵ *Commercial Fertilizers. Published by the Association of American Plant Food Control Officials and The Fertilizer Institute*

Table 5.	Wisconsin	Illinois	Iowa	California	Oklahoma	Kansas
Fertilizer Tonnage Fee Structure	\$0.60/ton which is divided between four functions: 1) Basic fee (\$0.30) for inspections (DATCP); 2) Research (\$0.10) to Fertilizer Research Council; 3) Outreach (\$0.10) to NMP (UW-Extension); and 4) Groundwater Fee (\$0.10) to DNR (additional \$0.68 Cleanup fee)	\$0.25/ton which is divided into two functions: 1) Basic fee (\$0.125) for inspections (Dept of AG); 2) \$0.125 to the Fertilizer Research and Educational Council	\$0.17/ton is charged on all fertilizer sales for basic inspections. An additional \$0.915/ton on N is one of four accounts making up the Groundwater Protection Fund	\$0.002 (2 mills) on all fertilizer sales for basic inspections; Additional \$0.001 goes into the Fertilizer Research and Education Program (FREP) for research and education	\$0.65/ton which is divided into two functions: 1) Basic fee (\$0.35) for inspections (Dept of AG); 2) \$0.30 to the Soil Fertility Research Account	1) \$1.40/ton to the state water plan 2) \$0.04/ton to fertilizer research fund 3) 7/1/2002 to 6/30/2010 \$0.05/ton credited to the fertilizer and pesticide compliance and administration fund
Funds Generated for Research and/or Education	Approximately \$125,000 annually for RESEARCH and approx \$125,000 for EDUCATION	App. \$450,000 annually (Note: Lumps RESEARCH and EDUCATION)	Approx. \$263,000 (35% remainder to ag drainage demos, well sealing, private well testing, etc)	Based on price of product; website states close to \$1 million per year is generated; supports research, education and demonstrations	Approx. \$253,000	From Fiscal Years 1990-1996 15.2% of the state water plan was funded through fertilizer fees
Refundable Check-Off?	Mandatory Fee	Mandatory Fee	Mandatory Fee	Mandatory Fee	Mandatory Fee	Mandatory Fee
Ave. Fert Tonnage (2001-04)	1,283,103 tons	3,592,736 tons	Fees based on N Sales of Approx. 950,000 tons	Based on % of sales; 5,129,180 tons	966,359 tons	
Fiscal Agent	DATCP receives a 3.5% admin fee; funds routed to the UW-Madison	Illinois Dept of Ag, 3% overhead costs	IA Dept. of Ag and Land Stewardship.	CA Department of Food and AG	OK Department of AG	Kansas Water Authority
Fund Recipients	Primary Intent is UW-Madison, research stations and other UW systems. Funds could go private if expertise does not exist.	Funds can go to any organization, farm group or private farmer. Funds can be used for education as well as research.	35% of Ag Management Acc to Leopold Center for sustainable ag	Unsure who can apply (UPDATE)	Plant and Soil Sciences Department of the Division of Agricultural Sciences and Natural Resources at Oklahoma State University	State Water Plan with funds transferred to various state agencies to implement the plan with primary recipients including Ka. Dept of Health and Env. And the State Conservation Commission

Intended Purpose of Fees	Wisconsin	Illinois	Iowa	California	Oklahoma	Kansas
	The Wisconsin Fertilizer Research Program is a state-wide funding source for applied agricultural research. Funding criteria contained in the law states that funds shall be forwarded to the University of Wisconsin to be used "for research on soil management, soil fertility, plant nutrition problems and for research on surface water and ground water problems which may be related to fertilizer usage; for dissemination of the results of the research; and for other designated activities tending to promote the correct usage of fertilizer materials."	Its goals and objectives are: a) Evaluate the agronomics of fertilizers when BMPs are used, which may include, but are not limited to, the relationship of fertilizer use to soil management, soil fertility, plant nutrition problems, economic considerations, and environment considerations. b) Develop effective application techniques for fertilizer, which may include the development of equipment and fertilizer distribution systems. c) Demonstrate the efficiencies and effectiveness of fertilizer systems. d) Conduct research on environmental concerns which shall be related to fertilizer usage. e) Develop innovative uses of fertilizers under varied cultural, pest control and water management practices and other potential uses. f) Disseminate the results of such research programs.		FREP was created to advance the environmentally safe and agronomically sound use and handling of commercial fertilizer materials. Most of FREP's original work was concerned specifically with nitrate contamination of groundwater. FREP facilitates and coordinates research and demonstration projects by providing funding, developing and disseminating information, and serving as a clearinghouse on information on this topic. FREP serves growers, agricultural supply and service professionals, extension personnel, public agencies, consultants, and other interested parties.	Established for the sole purpose of conducting soil fertility research involving groundwater protection from plant food nutrients.	The Kansas Water Plan is used to coordinate the management, conservation, and development of water resources in the state. The funds are used to priorities and programs identified in the water plan.

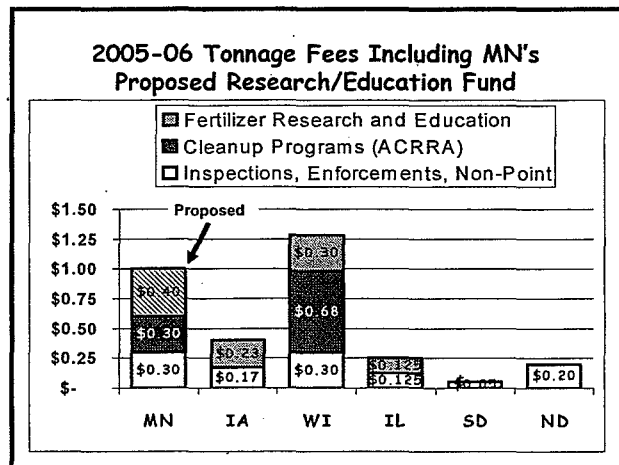
Research Board Specifics						
Name	WI Fertilizer Research Fund (FRF)	Fert. Research & Education Council	Leopold Center	Fert Inspection Advisory Board	Fertilizer Advisory Board	Basin advisory committees
Time of Establishment	1978	1990	1987	1990	1989	1985
Membership Composition	10 (7 voting and 3 non-voting)	9		9	9	11-member volunteer panel
Appointment	Appointments jointly by 3 Non-Voting Members (Secretary of Ag, Trade, and Consumer Protection, Secretary of Natural Resources, and the Dean of the College of Ag and Life Science-UW)	All appointments are made by the Director of the Dept. of Ag in consultation with recognized organizations			Oklahoma Agribusiness Retailers Assoc. positions are appointed by OARA Chair.	
Voting Membership Profile	3 Industry reps-Candidates supplied by the fertilizer industry; 3 farmers; 1 water quality expert	3 Fertilizer Industry reps; 3 persons rep. Crop production, 2 public at large, and Chair	Numerous Universities, IA Department of Ag and Land Stewardship, IA DNR, and a man and a woman actively engaged in ag production, reps from four Iowa farm groups: IA Farm Bureau Fed, Practical Farmers of Iowa, Agribusiness Association of	Technical Advisory Subcommittee (TASC) of the Fertilizer Inspection Advisory Board reviews, selects and (after peer review) recommends funding for FREP projects. This committee includes growers, fertilizer industry professionals, and State government and	OK Agribusiness Retailers Association including a Chair, 4 geographic members (NW, NE, SW, SE), 1-manufacturer, 1-Farm Bureau, 1-Farmers Union, and one from OK Dept Ag	Proposed issues to be addressed in the state water plan are identified by the Kansas Water Office with input from 12 basin advisory committees, other water-related agencies, special interest groups, and the general public
Term Duration	3 years; 2 term maximum	3 years; 2 term maximum		3 years	3 years	
Non-Voting Member Profile	See above section				OK State U, OK Cons., OK Envir, Retailers	
Background Work	DATCP provides much of the contact work and research for Board replacement	Chair (Dept of AG) has numerous respon. See 700 Art. II, Sec 5				
Meeting Frequency	Minimum of once per year	Minimum of once per year		Minimum of once per year	Minimum of twice per year	
Membership Reimbursement	Voluntary, only traveling expenses are reimbursed	Voluntary, only traveling expenses are reimbursed		Voluntary, only traveling expenses are reimbursed	Voluntary, only traveling expenses are reimbursed	
Chair Person				Elected	Elected-one year appointment	

ANTF's PROPOSED AG RESEARCH AND EDUCATION FERTILIZER PROGRAM

The ANTF, after discussing research needs and existing research programs in other states, then began to construct a draft structure. At the conclusion of the 11/2/05 meeting, the ANTF requested that MDA staff reorganize the original HF 1075 language into the same type of matrix framework originally used to summarize and review existing programs in other states (Table 5). The Chair requested that other models be submitted in preparation for the 11/28/05 meeting. MN Crop Production Retailers submitted a proposal prior to this meeting and MDA staff then developed a matrix comparing HF 1075, MCPR and MDA concepts. This document then served as the nucleus for the discussion and development of the ANTF's design at the 11/28/05 meeting. Additional modifications were made at the 2/10/06 meeting and the final version is shown in Table 6.

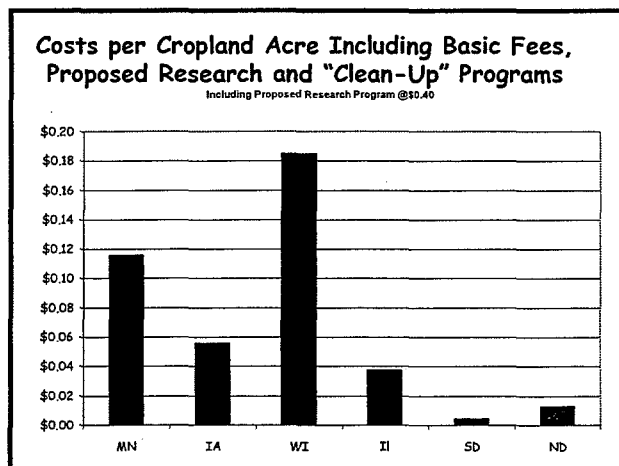
Key concepts of the design are summarized in the FINAL RECOMMENDATION section. One of the important recommendations was the actual amount. Forty cents (\$0.40) per ton was agreed upon. This would generate about \$880,000 per year.

The adjacent figure shows how Minnesota's fees would compare with neighboring states if the proposed recommendations became a reality.



Economic impact to producers was an important factor for the ANTF to consider. The proposed fee increase would raise production costs approximately \$0.04 per acre. This figure is calculated by first determining the amount of additional revenue by multiplying the average statewide fertilizer tonnage sold in Minnesota from 2001-2004 and then dividing by the number of cropland acres. Current programs cost \$0.07 per acre bringing the total costs to \$0.115 per acre.

For comparative purposes, the adjacent figure illustrates the current costs (expressed as cost per cropland acre) in neighboring states to Minnesota's costs which include the ANTF recommendations.



ON-FARM LIQUID STORAGE

The ANTF spent a considerable amount of time discussing the proposed bulk liquid fertilizer storage rules, potential fines, liability issues and MDA's timelines for rule writing. Much of the activities revolved around the conditions when secondary containment is required.

The current MDA liquid fertilizer rule requires secondary containment for all "nonpackaged" liquid fertilizer. MDA addresses storage on a site specific basis, but has developed some general guidelines regarding storage to promote consistency in enforcement.

Motions, voting records, and general discussion information can be found in the 1/09/06 minutes located on the website.

The final recommendations of the ANTF were:

- The legislature review liability as it pertains to on-farm bulk storage of liquid fertilizer and that ownership of the fertilizer product be a main factor with regard to liability; and
- Either through rule or statute that on-farm storage of bulk liquid fertilizer be defined as greater than 6,000 gallons per site.

RESPONDING TO A.A. THEFT FOR METH PRODUCTION

The general message from several MDA speakers and information supplied by several outside sources strongly suggest that methamphetamine production in Minnesota and the nation was down significantly. It is believed that the "over the counter" restrictions on pseudoephedrine products have been highly effective in curbing production.

Many of the preventative techniques for reducing anhydrous ammonia theft were discussed in terms of both effectiveness and some of the safety dangers associated with them. The MN Crop Retailers provided a handout summarizing many of the issues (page 18).

The final recommendations of the ANTF were:

- No increased requirements, such as: 1) tank locking mechanisms; 2) fencing; or 3) anhydrous ammonia additives to address methamphetamine production are recommended. The task force also recommends that the legislature encourage other states to pass legislation to restrict the sale of pseudoephedrine.

FINAL RECOMMENDATIONS

Members were asked to respond to a series of statements denoted in italics below. The purpose of walking through this procedure was to insure that the opinions of the Task Force were clearly documented and reflected in the final report. These statements were concepts previously developed at earlier meetings or proposed during the February 10, 2006 meeting. Chairman Kramer provided the following definitions for hand gestures used for polling purposes: "Thumbs Up" signifies approval, "Thumbs Down" signifies non-approval and "Flat" signifies neutrality. If the Chair announced the polling record, that information was recorded and noted as such. Otherwise, reporting the polling results were a combined tallying effort by MDA staff. If a member voiced a comment, those comments were typically included in a summarized format. If comments were specific in nature, they were recorded as such.

A summary of the recommendations is listed below. The entire polling results, suggested modifications and comments can be found in the minutes from February 10, 2006 meeting.

Summary of Recommendations

- 1) *"The task force recommends that additional fertility research is needed for production agriculture to address long-term issues."*
- 2) *"The task force recommends the need for soil fertility education."*
- 3) *"The task force recommends that additional funding needs to be generated to pay for fertility research and associated education."*
- 4) *"The task force recommends that the fertilizer tonnage fee should be increased to pay for additional fertility research and associated education."*
 - i. *"Future fee recommendation from the ANTF will be 40 cents per ton"*
Additional language to be included in the final report;
"As part of the Council's responsibilities, the Council will revisit the amount of the fees and make recommendations to the state legislature regarding increasing or decreasing the amounts".
 - ii. *"Due to the long-term nature of research and the need for program continuity, the Task Force recommends a sunset period of six to ten years."*
- 5) *"The Task Force recommends that the Minnesota Department of Agriculture serves as the fiscal agent to collect the fees, distribute refunds, and administer the program."*
- 6) *"The task force recommends that the additional fertilizer tonnage research and education fee be refundable."*

component of outreach and timely dissemination of information to the production agricultural community.” Original language to be amended to include annual written research reporting requirements.

17) “The task force recommends that eligible activities include research, education and technology transfer.”

Additional language to be included in the final report:

“Final report notes that the principle purpose of the Council is to focus on research. Additionally, education projects should include a non-ag educational component”.

18) “The task force recommends that the legislature review liability as it pertains to on-farm bulk storage of liquid fertilizer and that ownership OF THE FERTILIZER PRODUCT be a main factor with regard to liability.” (Minor language shown in CAPS are modifications added by the Task Force prior to the final vote)

19) “The task force recommends that either through rule or statute that on farm storage of bulk liquid fertilizer be defined as GREATER THAN 6,000 gallons PER SITE” (Minor language shown in CAPS are modifications added by the Task Force prior to the final vote)

20) The task force recommends no increased requirements such as: 1) tank locking mechanisms; 2) fencing; or 3) anhydrous ammonia additives to address methamphetamine production. The task force also recommends that the legislature encourage other states to pass legislation to restrict the sale of pseudoephedrine.”

Additional language to be included in the final report:

“Task Force recommends that in order to facilitate the collection of fees and refunds that the Council would start in January”.

