

1.1 CONFERENCE COMMITTEE REPORT ON S.F. No. 958

1.2 A bill for an act

1.3 relating to state government; establishing a budget for the Department of
1.4 Agriculture, the Board of Animal Health, the Agricultural Utilization Research
1.5 Institute, and broadband development; making policy and technical changes to
1.6 various provisions related to agriculture, food, rural development, and broadband
1.7 development, including provisions related to grants, loans, pesticides, feedlots,
1.8 bioincentive programs, Cervidae, veterinary services, reports, and mapping;
1.9 requiring reports; appropriating money; amending Minnesota Statutes 2020, sections
1.10 3.737, by adding a subdivision; 17.1017, subdivision 6; 18B.33, subdivision 1;
1.11 18E.04, subdivision 4; 28A.15, by adding a subdivision; 28A.152, subdivisions
1.12 1, 3, 4, 5; 31A.15, subdivision 1; 35.155, subdivisions 5, 11; 41A.16, subdivision
1.13 5; 41A.17, subdivision 4; 116.07, subdivision 7; 116J.394; 116J.397; 156.12,
1.14 subdivision 2; Laws 2020, chapter 101, section 5, subdivisions 2, 7; proposing
1.15 coding for new law in Minnesota Statutes, chapter 25.

1.16 May 16, 2021

1.17 The Honorable Jeremy R. Miller
1.18 President of the Senate

1.19 The Honorable Melissa Hortman
1.20 Speaker of the House of Representatives

1.21 We, the undersigned conferees for S.F. No. 958 report that we have agreed upon the
1.22 items in dispute and recommend as follows:

1.23 That the House recede from its amendments and that S.F. No. 958 be further amended
1.24 as follows:

1.25 Delete everything after the enacting clause and insert:

1.26 "Section 1. Minnesota Statutes 2020, section 3.737, is amended by adding a subdivision
1.27 to read:

1.28 Subd. 7. **Report.** The commissioner must submit a report to the chairs and ranking
1.29 minority members of the house of representatives and senate committees and divisions with

2.1 jurisdiction over agriculture and environment and natural resources by December 15 each
2.2 year. The report must include:

2.3 (1) all payments made under this section, by county and statewide, in the previous five
2.4 fiscal years;

2.5 (2) the program's total revenue by funding source including state appropriations; and

2.6 (3) how each revenue source is used in expenditures including administrative costs used
2.7 to carry out this section.

2.8 Sec. 2. Minnesota Statutes 2020, section 15.057, is amended to read:

2.9 **15.057 PUBLICITY REPRESENTATIVES.**

2.10 No state department, bureau, or division, whether the same operates on funds appropriated
2.11 or receipts or fees of any nature whatsoever, except the Department of Transportation, the
2.12 Department of Employment and Economic Development, the Department of Agriculture,
2.13 the Game and Fish Division, State Agricultural Society, and Explore Minnesota Tourism
2.14 shall use any of such funds for the payment of the salary or expenses of a publicity
2.15 representative. The publicity representative for the Department of Agriculture must not be
2.16 an elected official or candidate for public office. The head of any such department, bureau,
2.17 or division shall be personally liable for funds used contrary to this provision. This section
2.18 shall not be construed, however, as preventing any such department, bureau, or division
2.19 from sending out any bulletins or other publicity required by any state law or necessary for
2.20 the satisfactory conduct of the business for which such department, bureau, or division was
2.21 created.

2.22 Sec. 3. Minnesota Statutes 2020, section 17.1017, subdivision 6, is amended to read:

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

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

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

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

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

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

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

3.10 ~~(2) apply to accept Special Supplemental Nutrition Program for Women, Infants, and~~
3.11 ~~Children (WIC) benefits and, if approved, accept WIC benefits;~~

3.12 ~~(3)~~ (2) allocate at least 30 percent of retail space for the sale of affordable, nutritious,
3.13 and culturally appropriate foods, including fruits and vegetables, low-fat and nonfat dairy,
3.14 fortified dairy substitute beverages such as soy-based or nut-based dairy substitute beverages,
3.15 whole grain-rich staple foods, meats, poultry, fish, seafood, and other proteins, consistent
3.16 with nutrition standards in national guidelines described in the current United States
3.17 Department of Agriculture Dietary Guidelines for Americans;

3.18 ~~(4)~~ (3) comply with all data collection and reporting requirements established by the
3.19 commissioner; and

3.20 ~~(5)~~ (4) promote the hiring, training, and retention of local or regional residents from
3.21 low-income and moderate-income areas that reflect area demographics, including
3.22 communities of color.

3.23 (c) A selected project that is a small food retailer is not subject to the allocation agreement
3.24 under paragraph (b), clause ~~(3)~~ (2), and may use financing, grants, or other financial or
3.25 technical assistance for refrigeration, displays, or onetime capital expenditures for the
3.26 promotion and sale of perishable foods, including a combination of affordable, nutritious,
3.27 and culturally appropriate fresh or frozen dairy, dairy substitute products, produce, meats,
3.28 poultry, and fish, consistent with nutrition standards in national guidelines described in the
3.29 current United States Department of Agriculture Dietary Guidelines for Americans.

4.1 Sec. 4. Minnesota Statutes 2020, section 17.116, subdivision 2, is amended to read:

4.2 Subd. 2. **Eligibility.** (a) Grants may only be made to farmers, educational institutions,
4.3 individuals at educational institutions, or nonprofit organizations residing or located in the
4.4 state for research or demonstrations on farms in the state.

4.5 (b) Grants may only be made for projects that show:

4.6 (1) the ability to maximize direct or indirect energy savings or production;

4.7 (2) a positive effect or reduced adverse effect on the environment; ~~and~~ or

4.8 (3) increased profitability for the individual farm by reducing costs or improving
4.9 marketing opportunities.

4.10 Sec. 5. Minnesota Statutes 2020, section 18B.33, subdivision 1, is amended to read:

4.11 Subdivision 1. **Requirement.** (a) A person may not apply a pesticide for hire without a
4.12 commercial applicator license for the appropriate use categories or a structural pest control
4.13 license.

4.14 (b) A commercial applicator licensee must have a valid license identification card to
4.15 purchase a restricted use pesticide or apply pesticides for hire and must display it upon
4.16 demand by an authorized representative of the commissioner or a law enforcement officer.
4.17 The commissioner shall prescribe the information required on the license identification
4.18 card.

4.19 (c) A person licensed under this section is considered qualified and is not required to
4.20 verify, document, or otherwise prove a particular need prior to use, except as required by
4.21 the federal label.

4.22 (d) A person who uses a general-use sanitizer or disinfectant for hire in response to
4.23 COVID-19 is exempt from the commercial applicator license requirements under this section.

4.24 **EFFECTIVE DATE.** This section is effective retroactively from March 31, 2021.

4.25 Sec. 6. **[25.391] EXEMPTION FOR COTTAGE FOOD PRODUCERS;**

4.26 **HOME-PROCESSED PET TREATS.**

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

5.1 (1) the individual is registered with the commissioner under section 28A.152, subdivision
5.2 4;

5.3 (2) the pet treats are not potentially hazardous food, as defined in Minnesota Rules, part
5.4 4626.0020, subpart 62, that is safe for human consumption and for consumption by the
5.5 intended species;

5.6 (3) the pet treats are baked or dehydrated;

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

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

5.13 Subd. 2. **Direct sales to consumers.** An individual qualifying for the exemption under
5.14 subdivision 1 may sell the exempt pet treats to consumers in accordance with section
5.15 28A.152.

5.16 Sec. 7. Minnesota Statutes 2020, section 28A.152, subdivision 1, is amended to read:

5.17 Subdivision 1. **Licensing provisions applicability.** (a) The licensing provisions of
5.18 sections 28A.01 to 28A.16 do not apply to the following:

5.19 (1) an individual who prepares and sells food that is not potentially hazardous food, as
5.20 defined in Minnesota Rules, part 4626.0020, subpart 62, if the following requirements are
5.21 met:

5.22 (i) the prepared food offered for sale under this clause is labeled to accurately reflect
5.23 the name and the registration number or address of the individual preparing and selling the
5.24 food, the date on which the food was prepared, ~~and~~ the ingredients and any possible allergens,
5.25 and the statement "These products are homemade and not subject to state inspection."; and

5.26 (ii) the individual displays at the point of sale a clearly legible sign or placard stating:
5.27 "These products are homemade and not subject to state inspection."; and

5.28 (2) an individual who prepares and sells home-processed and home-canned food products
5.29 if the following requirements are met:

5.30 (i) the products are pickles, vegetables, or fruits having an equilibrium pH value of 4.6
5.31 or lower or a water activity value of .85 or less;

6.1 (ii) the products are home-processed and home-canned in Minnesota;

6.2 (iii) the individual displays at the point of sale a clearly legible sign or placard stating:
6.3 "These ~~canned goods~~ products are homemade and not subject to state inspection."; and

6.4 (iv) each container of the product sold or offered for sale under this clause is accurately
6.5 labeled to provide the name and the registration number or address of the individual who
6.6 processed and canned the goods, the date on which the goods were processed and canned,
6.7 ~~and~~ ingredients and any possible allergens, and the statement "These products are homemade
6.8 and not subject to state inspection."

6.9 (b) An individual who qualifies for an exemption under paragraph (a), clause (2), is also
6.10 exempt from the provisions of sections 31.31 and 31.392.

6.11 (c) An individual who qualifies for an exemption under paragraph (a) may organize the
6.12 individual's cottage food business as a business entity recognized by state law.

6.13 Sec. 8. Minnesota Statutes 2020, section 28A.152, subdivision 3, is amended to read:

6.14 Subd. 3. **Limitation on sales.** An individual selling exempt foods under this section is
6.15 limited to total sales with gross receipts of ~~\$18,000~~ \$78,000 or less in a calendar year.

6.16 Sec. 9. Minnesota Statutes 2020, section 28A.152, subdivision 4, is amended to read:

6.17 Subd. 4. **Registration.** An individual who prepares and sells exempt food under
6.18 subdivision 1 must register annually with the commissioner. The commissioner shall register
6.19 an individual within 30 days of submitting a complete registration to the commissioner. A
6.20 registration shall be deemed accepted after 30 days following an individual's complete
6.21 registration to the commissioner. The annual registration fee is \$50. An individual with
6.22 \$5,000 or less in annual gross receipts from the sale of exempt food under this section is
6.23 not required to pay the registration fee. By January 1, 2022, the commissioner shall adjust
6.24 the gross receipts amount of this fee exemption based on the consumer price index using
6.25 2002 as the index year for the \$5,000 gross receipts exemption.

6.26 Sec. 10. Minnesota Statutes 2020, section 28A.152, subdivision 5, is amended to read:

6.27 Subd. 5. **Training.** (a) An individual ~~with gross receipts between \$5,000 and \$18,000~~
6.28 ~~in a calendar year from the sale of~~ who sells exempt food under this section and is required
6.29 to pay the registration fee in subdivision 4 must complete a safe food handling training
6.30 course that is approved by the commissioner before registering under subdivision 4. The

7.1 training shall not exceed eight hours and must be completed every three years while the
7.2 individual is registered under subdivision 4.

7.3 (b) An individual ~~with gross receipts of less than \$5,000 in a calendar year from the sale~~
7.4 ~~of who sells~~ exempt food under this section and is exempt from paying the registration fee
7.5 in subdivision 4 must satisfactorily complete an online course and exam as approved by the
7.6 commissioner before registering under subdivision 4. The commissioner shall offer the
7.7 online course and exam under this paragraph at no cost to the individual.

7.8 Sec. 11. **[28A.153] WILD GAME PROCESSOR EXEMPTION.**

7.9 Subdivision 1. **Licensing provisions applicability.** The licensing provisions of sections
7.10 28A.01 to 28A.16 do not apply to an individual who processes wild game or fowl as
7.11 described in section 31A.15, subdivision 1, clause (2), if the following requirements are
7.12 met:

7.13 (1) the individual does not own an operation subject to the licensing provisions of sections
7.14 28A.01 to 28A.16;

7.15 (2) the individual's operation is limited to the handling of raw products, to include cutting,
7.16 grinding, and packaging, and without further preparation of the wild game or fowl products;

7.17 (3) the individual does not add any additional ingredients to the wild game or fowl
7.18 products;

7.19 (4) the wild game or fowl products are not donated or sold; and

7.20 (5) all wild game or fowl products are packaged and labeled as "Not for Sale."

7.21 Subd. 2. **Sales limitation.** An individual processing wild game or fowl under this section
7.22 is limited to total services with gross receipts of \$20,000 or less in a calendar year or the
7.23 processing of 200 deer in a calendar year, whichever is greater.

7.24 Subd. 3. **Registration.** Individuals processing wild game under this section are
7.25 encouraged to register annually with the commissioner. The commissioner must not assess
7.26 a registration fee.

7.27 Subd. 4. **Permit exemption.** An individual processing wild game under this section is
7.28 not required to obtain a custom processing permit under section 28A.04, subdivision 2.

7.29 Subd. 5. **Chronic wasting disease.** If a white-tailed deer was harvested from a chronic
7.30 wasting disease management area established by the commissioner of natural resources, an
7.31 individual processing wild game under this section must dispose of the carcass through any

8.1 disposal method approved for the management area in Department of Natural Resources
8.2 hunting rules.

8.3 Sec. 12. Minnesota Statutes 2020, section 35.02, subdivision 1, is amended to read:

8.4 Subdivision 1. **Members; officers.** The board has ~~five~~ six members appointed by the
8.5 governor with the advice and consent of the senate, ~~three~~ four of whom are producers of
8.6 livestock in the state and at least one of the four livestock producers is also a member of a
8.7 federally recognized Tribe located in Minnesota, and two of whom are practicing
8.8 veterinarians licensed in Minnesota. The commissioners of agriculture, natural resources,
8.9 and health, the dean of the College of Veterinary Medicine, and the director of the Veterinary
8.10 Diagnostic Laboratory of the University of Minnesota may serve as consultants to the board
8.11 without vote. Appointments to fill unexpired terms must be made from the classes to which
8.12 the retiring members belong. The board shall elect a president and a vice-president from
8.13 among its members and a veterinarian licensed in Minnesota who is not a member to be its
8.14 executive director for a term of one year and until a successor qualifies. The board shall set
8.15 the duties of the director.

8.16 Sec. 13. Minnesota Statutes 2020, section 35.155, subdivision 5, is amended to read:

8.17 Subd. 5. **Disease control programs.** Farmed Cervidae are subject to this chapter and
8.18 the rules of the Board of Animal Health in the same manner as other livestock and domestic
8.19 animals, including provisions related to importation and transportation. The board shall
8.20 allow the movement of Cervidae from a Cervidae farm located within a chronic wasting
8.21 disease management or endemic zone if the Cervidae have tested negative for chronic
8.22 wasting disease with an antemortem test validated by the United States Department of
8.23 Agriculture and the herd has met other movement requirements as set by the board.

8.24 Sec. 14. Minnesota Statutes 2020, section 35.155, subdivision 11, is amended to read:

8.25 Subd. 11. **Mandatory surveillance for chronic wasting disease; depopulation.** (a)
8.26 An inventory for each farmed Cervidae herd must be verified by an accredited veterinarian
8.27 and filed with the Board of Animal Health every 12 months.

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

8.31 (c) All animals from farmed Cervidae herds that are over 12 months of age that die or
8.32 are slaughtered must be tested for chronic wasting disease.

9.1 (d) The owner of a premises where chronic wasting disease is detected must:

9.2 (1) depopulate the premises of Cervidae after the ~~appraisal process~~ for federal
9.3 indemnification process has been completed or, if an indemnification application is not
9.4 submitted, within a reasonable time determined by the board in consultation with the
9.5 commissioner of natural resources;

9.6 (2) maintain the fencing required under subdivision 4 on the premises for five years after
9.7 the date of detection; and

9.8 (3) post the fencing on the premises with biohazard signs as directed by the board.

9.9 Sec. 15. Minnesota Statutes 2020, section 41A.16, subdivision 5, is amended to read:

9.10 Subd. 5. **Agricultural cellulosic biomass sourcing plan.** (a) An eligible producer who
9.11 utilizes agricultural cellulosic biomass other than corn kernel fiber or biogas must submit
9.12 a responsible biomass sourcing plan for approval by the commissioner prior to applying for
9.13 payments under this section. The commissioner shall make the plan publicly available. The
9.14 plan must:

9.15 (1) provide a detailed explanation of how agricultural cellulosic biomass will be produced
9.16 and managed in a way that preserves soil quality, does not increase soil and nutrient runoff,
9.17 avoids introduction of harmful invasive species, limits negative impacts on wildlife habitat,
9.18 and reduces greenhouse gas emissions;

9.19 (2) include the producer's approach to verifying that biomass suppliers are following
9.20 the plan;

9.21 (3) discuss how new technologies and practices that are not yet commercially viable
9.22 may be encouraged and adopted during the life of the facility, and how the producer will
9.23 encourage continuous improvement during the life of the project;

9.24 (4) include specific numeric goals and timelines for making progress;

9.25 (5) require agronomic practices that result in a positive Natural Resources Conservation
9.26 Service Soil Conditioning Index score for acres from which biomass from corn stover will
9.27 be harvested; and

9.28 (6) include biennial soil sampling to verify maintained or increased levels of soil organic
9.29 matter.

9.30 (b) An eligible producer who utilizes agricultural cellulosic biomass and receives
9.31 payments under this section shall submit an annual report on the producer's responsible
9.32 biomass sourcing plan to the commissioner by January 15 each year. The report must include

10.1 data on progress made by the producer in meeting specific goals laid out in the plan. The
10.2 commissioner shall make the report publicly available. The commissioner shall perform an
10.3 annual review of submitted reports and may make a determination that the producer is not
10.4 following the plan based on the reports submitted. The commissioner may take appropriate
10.5 steps, including reducing or ceasing payments, until the producer is in compliance with the
10.6 plan.

10.7 Sec. 16. Minnesota Statutes 2020, section 41A.16, subdivision 6, is amended to read:

10.8 Subd. 6. **Claims.** (a) By the last day of October, January, April, and July, each eligible
10.9 biofuel producer shall file a claim for payment for advanced biofuel production during the
10.10 preceding three calendar months. An eligible biofuel producer that files a claim under this
10.11 subdivision shall include a statement of the eligible biofuel producer's total advanced biofuel
10.12 production in Minnesota during the quarter covered by the claim and certify that the eligible
10.13 producer will not use payments received under this section to compensate a lobbyist who
10.14 is required to register with the Campaign Finance and Public Disclosure Board under section
10.15 10A.03. For each claim and statement of total advanced biofuel production filed under this
10.16 subdivision, the volume of advanced biofuel production must be examined by a CPA firm
10.17 with a valid permit to practice under chapter 326A, in accordance with Statements on
10.18 Standards for Attestation Engagements established by the American Institute of Certified
10.19 Public Accountants.

10.20 (b) The commissioner must issue payments by November 15, February 15, May 15, and
10.21 August 15. A separate payment must be made for each claim filed.

10.22 Sec. 17. Minnesota Statutes 2020, section 41A.17, subdivision 4, is amended to read:

10.23 Subd. 4. **Agricultural cellulosic biomass sourcing plan.** (a) An eligible producer who
10.24 utilizes agricultural cellulosic biomass other than corn kernel fiber or biogas must submit
10.25 a responsible biomass sourcing plan to the commissioner prior to applying for payments
10.26 under this section. The plan must:

10.27 (1) provide a detailed explanation of how agricultural cellulosic biomass will be produced
10.28 and managed in a way that preserves soil quality, does not increase soil and nutrient runoff,
10.29 avoids introduction of harmful invasive species, limits negative impacts on wildlife habitat,
10.30 and reduces greenhouse gas emissions;

10.31 (2) include the producer's approach to verifying that biomass suppliers are following
10.32 the plan;

11.1 (3) discuss how new technologies and practices that are not yet commercially viable
11.2 may be encouraged and adopted during the life of the facility, and how the producer will
11.3 encourage continuous improvement during the life of the project; and

11.4 (4) include specific numeric goals and timelines for making progress.

11.5 (b) An eligible producer who utilizes agricultural cellulosic biomass and receives
11.6 payments under this section shall submit an annual report on the producer's responsible
11.7 biomass sourcing plan to the commissioner by January 15 each year. The report must include
11.8 data on progress made by the producer in meeting specific goals laid out in the plan. The
11.9 commissioner shall make the report publicly available. The commissioner shall perform an
11.10 annual review of submitted reports and may make a determination that the producer is not
11.11 following the plan based on the reports submitted. The commissioner may take appropriate
11.12 steps, including reducing or ceasing payments, until the producer is in compliance with the
11.13 plan.

11.14 Sec. 18. Minnesota Statutes 2020, section 41A.17, subdivision 5, is amended to read:

11.15 Subd. 5. **Claims.** (a) By the last day of October, January, April, and July, each eligible
11.16 renewable chemical producer shall file a claim for payment for renewable chemical
11.17 production during the preceding three calendar months. An eligible renewable chemical
11.18 producer that files a claim under this subdivision shall include a statement of the eligible
11.19 producer's total renewable chemical production in Minnesota during the quarter covered by
11.20 the claim and certify that the eligible producer will not use payments received under this
11.21 section to compensate a lobbyist who is required to register with the Campaign Finance and
11.22 Public Disclosure Board under section 10A.03. For each claim and statement of total
11.23 renewable chemical production filed under this paragraph, the volume of renewable chemical
11.24 production must be examined by a CPA firm with a valid permit to practice under chapter
11.25 326A, in accordance with Statements on Standards for Attestation Engagements established
11.26 by the American Institute of Certified Public Accountants.

11.27 (b) The commissioner must issue payments by November 15, February 15, May 15, and
11.28 August 15. A separate payment must be made for each claim filed.

11.29 Sec. 19. Minnesota Statutes 2020, section 41A.18, subdivision 5, is amended to read:

11.30 Subd. 5. **Claims.** (a) By the last day of October, January, April, and July, each producer
11.31 shall file a claim for payment for biomass thermal production during the preceding three
11.32 calendar months. A producer that files a claim under this subdivision shall include a statement
11.33 of the producer's total biomass thermal production in Minnesota during the quarter covered

12.1 by the claim and certify that the eligible producer will not use payments received under this
12.2 section to compensate a lobbyist who is required to register with the Campaign Finance and
12.3 Public Disclosure Board under section 10A.03. For each claim and statement of total biomass
12.4 thermal production filed under this paragraph, the volume of biomass thermal production
12.5 must be examined by a CPA firm with a valid permit to practice under chapter 326A, in
12.6 accordance with Statements on Standards for Attestation Engagements established by the
12.7 American Institute of Certified Public Accountants.

12.8 (b) The commissioner must issue payments by November 15, February 15, May 15, and
12.9 August 15. A separate payment shall be made for each claim filed.

12.10 Sec. 20. Minnesota Statutes 2020, section 41B.048, subdivision 2, is amended to read:

12.11 Subd. 2. **Establishment.** The authority shall establish and implement an agroforestry
12.12 loan program to help finance the production of short rotation woody crops. ~~The authority~~
12.13 ~~may contract with a fiscal agent to provide an efficient delivery system for this program.~~

12.14 Sec. 21. Minnesota Statutes 2020, section 41B.048, subdivision 4, is amended to read:

12.15 Subd. 4. **Definitions.** (a) The definitions in this subdivision apply to this section.

12.16 ~~(b) "Fiscal agent" means any lending institution or other organization of a for-profit or~~
12.17 ~~nonprofit nature that is in good standing with the state of Minnesota that has the appropriate~~
12.18 ~~business structure and trained personnel suitable to providing efficient disbursement of loan~~
12.19 ~~funds and the servicing and collection of loans over an extended period of time.~~

12.20 ~~(e)~~ (b) "Growing cycle" means the number of years from planting to harvest.

12.21 ~~(d)~~ (c) "Harvest" means the day that the crop arrives at the scale of the buyer of the crop.

12.22 ~~(e)~~ (d) "Short rotation woody crops" or "crop" means hybrid poplar and other woody
12.23 plants that are harvested for their fiber within 15 years of planting.

12.24 Sec. 22. Minnesota Statutes 2020, section 41B.048, subdivision 6, is amended to read:

12.25 Subd. 6. **Loans.** (a) The authority may ~~disburse loans through a fiscal agent~~ participate
12.26 with eligible lenders in agroforestry loans to farmers and agricultural landowners who are
12.27 eligible under subdivision 5. ~~The total accumulative loan principal must not exceed~~ The
12.28 authority's participation is limited to 45 percent or \$75,000 of total accumulative principal
12.29 per loan.

12.30 (b) ~~The fiscal agent may impose a loan origination fee in the amount of one percent of~~
12.31 ~~the total approved loan. This fee is to be paid by the borrower to the fiscal agent at the time~~

13.1 ~~of loan closing~~ The interest rates and repayment terms of the authority's participation interest
13.2 may differ from those of the lender's retained portion of the loan.

13.3 (c) The loan may be disbursed over a period not to exceed 12 years.

13.4 (d) A borrower may receive loans, depending on the availability of funds, for planted
13.5 areas up to 160 acres for up to:

13.6 (1) the total amount necessary for establishment of the crop;

13.7 (2) the total amount of maintenance costs, including weed control, during the first three
13.8 years; and

13.9 (3) 70 percent of the estimated value of one year's growth of the crop for years four
13.10 through 12.

13.11 (e) Security for the loan must be the crop, a personal note executed by the borrower, ~~an~~
13.12 ~~interest in the land upon which the crop is growing,~~ and whatever other security is required
13.13 by the ~~fiscal agent~~ eligible lender or the authority. ~~All recording fees must be paid by the~~
13.14 ~~borrower.~~

13.15 (f) The authority may prescribe forms and establish an application process for applicants
13.16 to apply for a loan.

13.17 (g) The authority may impose a reasonable, nonrefundable application fee for each
13.18 application for a loan under this program. The application fee is initially \$50. Application
13.19 fees received by the authority must be deposited in the Rural Finance Authority administrative
13.20 account established in section 41B.03.

13.21 (h) Loans under the program must be made using money in the revolving loan account
13.22 established under section 41B.06.

13.23 (i) All repayments of financial assistance granted under this section, including principal
13.24 and interest, must be deposited into the revolving loan account established under section
13.25 41B.06.

13.26 (j) ~~The interest payable on loans made by the authority for the agroforestry loan program~~
13.27 ~~must, if funded by revenue bond proceeds, be at a rate not less than the rate on the revenue~~
13.28 ~~bonds, and may be established at a higher rate necessary to pay costs associated with the~~
13.29 ~~issuance of the revenue bonds and a proportionate share of the cost of administering the~~
13.30 ~~program.~~ The interest payable on loans for the agroforestry loan program ~~funded from~~
13.31 ~~sources other than revenue bond proceeds~~ must be at a rate determined by the authority.

14.1 (k) Loan principal balance outstanding plus all assessed interest must be repaid within
14.2 120 days of harvest, but no later than 15 years from planting.

14.3 Sec. 23. Minnesota Statutes 2020, section 156.12, subdivision 2, is amended to read:

14.4 Subd. 2. **Authorized activities.** No provision of this chapter shall be construed to prohibit:

14.5 (a) a person from rendering necessary gratuitous assistance in the treatment of any animal
14.6 when the assistance does not amount to prescribing, testing for, or diagnosing, operating,
14.7 or vaccinating and when the attendance of a licensed veterinarian cannot be procured;

14.8 (b) a person who is a regular student in an accredited or approved college of veterinary
14.9 medicine from performing duties or actions assigned by instructors or preceptors or working
14.10 under the direct supervision of a licensed veterinarian;

14.11 (c) a veterinarian regularly licensed in another jurisdiction from consulting with a licensed
14.12 veterinarian in this state;

14.13 (d) the owner of an animal and the owner's regular employee from caring for and
14.14 administering to the animal belonging to the owner, except where the ownership of the
14.15 animal was transferred for purposes of circumventing this chapter;

14.16 (e) veterinarians who are in compliance with subdivision 6 and who are employed by
14.17 the University of Minnesota from performing their duties with the College of Veterinary
14.18 Medicine, College of Agriculture, Agricultural Experiment Station, Agricultural Extension
14.19 Service, Medical School, School of Public Health, or other unit within the university; or a
14.20 person from lecturing or giving instructions or demonstrations at the university or in
14.21 connection with a continuing education course or seminar to veterinarians or pathologists
14.22 at the University of Minnesota Veterinary Diagnostic Laboratory;

14.23 (f) any person from selling or applying any pesticide, insecticide or herbicide;

14.24 (g) any person from engaging in bona fide scientific research or investigations which
14.25 reasonably requires experimentation involving animals;

14.26 (h) any employee of a licensed veterinarian from performing duties other than diagnosis,
14.27 prescription or surgical correction under the direction and supervision of the veterinarian,
14.28 who shall be responsible for the performance of the employee;

14.29 (i) a graduate of a foreign college of veterinary medicine from working under the direct
14.30 personal instruction, control, or supervision of a veterinarian faculty member of the College
14.31 of Veterinary Medicine, University of Minnesota in order to complete the requirements
14.32 necessary to obtain an ECFVG or PAVE certificate;

15.1 (j) a licensed chiropractor registered under section 148.01, subdivision 1a, from practicing
15.2 animal chiropractic; or

15.3 (k) a person certified by the Emergency Medical Services Regulatory Board under
15.4 chapter 144E from providing emergency medical care to a police dog wounded in the line
15.5 of duty.

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

15.7 Sec. 24. Minnesota Statutes 2020, section 583.215, is amended to read:

15.8 **583.215 EXPIRATION.**

15.9 Sections 336.9-601, subsections (h) and (i); 550.365; 559.209; 582.039; and 583.20 to
15.10 583.32, expire June 30, ~~2022~~ 2027.

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

15.12 Sec. 25. **REPORT REQUIRED; AGRICULTURAL CHEMICAL RESPONSE AND**
15.13 **REIMBURSEMENT ACCOUNT PROGRAM.**

15.14 The commissioner of agriculture must convene stakeholders and develop
15.15 recommendations regarding the maximum reimbursement or payment amount under
15.16 Minnesota Statutes, section 18E.04, subdivision 4. The report must include an analysis of
15.17 what the maximum reimbursement or payment would be if adjusted for inflation. By February
15.18 1, 2022, the commissioner must report these recommendations to the chairs and ranking
15.19 minority members of the legislative committees and divisions with jurisdiction over
15.20 agriculture finance. Participating stakeholders must be given an opportunity to include
15.21 written testimony to the legislative committees in the commissioner's report.

15.22 Sec. 26. **REPEALER.**

15.23 Minnesota Statutes 2020, section 41B.048, subdivision 8, is repealed."

15.24 Delete the title and insert:

15.25 "A bill for an act

15.26 relating to agriculture; making various technical and policy changes and additions
15.27 to various agriculture-related provisions, including provisions related to agricultural
15.28 programs, grants, pesticides, farmed Cervidae, loan programs, food handlers, and
15.29 food; providing exemptions; modifying Board of Animal Health membership;
15.30 extending the Farmer-Lender Mediation Act; specifying that certified emergency
15.31 medical personnel may provide emergency medical care to police dogs without a
15.32 license to practice veterinary medicine; requiring reports; amending Minnesota
15.33 Statutes 2020, sections 3.737, by adding a subdivision; 15.057; 17.1017, subdivision
15.34 6; 17.116, subdivision 2; 18B.33, subdivision 1; 28A.152, subdivisions 1, 3, 4, 5;

16.1 35.02, subdivision 1; 35.155, subdivisions 5, 11; 41A.16, subdivisions 5, 6; 41A.17,
16.2 subdivisions 4, 5; 41A.18, subdivision 5; 41B.048, subdivisions 2, 4, 6; 156.12,
16.3 subdivision 2; 583.215; proposing coding for new law in Minnesota Statutes,
16.4 chapters 25; 28A."

17.1 We request the adoption of this report and repassage of the bill.

17.2 Senate Conferees:

17.3

17.4 Torrey Westrom Gene Dornink

17.5

17.6 Michael Goggin Bruce Anderson

17.7

17.8 Erin Murphy

17.9 House Conferees:

17.10

17.11 Mike Sundin Samantha Vang

17.12

17.13 Gene Pelowski Jr. Todd Lippert

17.14

17.15 Nathan Nelson