

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 958

(SENATE AUTHORS: WESTROM)

DATE	D-PG	OFFICIAL STATUS
02/11/2021	338	Introduction and first reading Referred to Agriculture and Rural Development Finance and Policy
04/12/2021	1663a	Comm report: To pass as amended and re-refer to Finance
04/13/2021	2766a	Comm report: To pass as amended
	2766	Second reading
04/14/2021		Special Order: Amended Third reading Passed

1.1 A bill for an act

1.2 relating to state government; establishing a budget for the Department of

1.3 Agriculture, the Board of Animal Health, the Agricultural Utilization Research

1.4 Institute, and broadband development; making policy and technical changes to

1.5 various provisions related to agriculture, food, rural development, and broadband

1.6 development, including provisions related to grants, loans, pesticides, feedlots,

1.7 bioincentive programs, Cervidae, veterinary services, reports, and mapping;

1.8 requiring reports; appropriating money; amending Minnesota Statutes 2020, sections

1.9 3.737, by adding a subdivision; 17.1017, subdivision 6; 18B.33, subdivision 1;

1.10 18E.04, subdivision 4; 28A.15, by adding a subdivision; 28A.152, subdivisions

1.11 1, 3, 4, 5; 31A.15, subdivision 1; 35.155, subdivisions 5, 11; 41A.16, subdivision

1.12 5; 41A.17, subdivision 4; 116.07, subdivision 7; 116J.394; 116J.397; 156.12,

1.13 subdivision 2; Laws 2020, chapter 101, section 5, subdivisions 2, 7; proposing

1.14 coding for new law in Minnesota Statutes, chapter 25.

1.15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.16 **ARTICLE 1**

1.17 **APPROPRIATIONS**

1.18 Section 1. **AGRICULTURE APPROPRIATIONS.**

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

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

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

1.22 The figures "2022" and "2023" used in this article mean that the appropriations listed under

1.23 them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively.

1.24 "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium"

1.25 is fiscal years 2022 and 2023.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2022</u>	<u>2023</u>
1.26		
1.27		
1.28		
1.29		

2.1 **Sec. 2. DEPARTMENT OF AGRICULTURE**2.2 **Subdivision 1. Total Appropriation** \$ **54,999,000** \$ **54,835,000**2.3 Appropriations by Fund

	<u>2022</u>	<u>2023</u>
2.4 <u>General</u>	<u>54,600,000</u>	<u>54,436,000</u>
2.5 <u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.6 The amounts that may be spent for each
 2.7 purpose are specified in the following
 2.8 subdivisions.

2.10 **Subd. 2. Protection Services**2.11 Appropriations by Fund

	<u>2022</u>	<u>2023</u>
2.12 <u>General</u>	<u>18,019,000</u>	<u>18,019,000</u>
2.13 <u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.14 (a) \$399,000 the first year and \$399,000 the
 2.15 second year are from the remediation fund for
 2.16 administrative funding for the voluntary
 2.17 cleanup program.

2.18 (b) \$175,000 the first year and \$175,000 the
 2.19 second year are for compensation for
 2.20 destroyed or crippled livestock under
 2.21 Minnesota Statutes, section 3.737. The first
 2.22 year appropriation may be spent to compensate
 2.23 for livestock that were destroyed or crippled
 2.24 during fiscal year 2021. If the amount in the
 2.25 first year is insufficient, the amount in the
 2.26 second year is available in the first year. The
 2.27 commissioner may use up to \$5,000 each year
 2.28 to reimburse expenses incurred by university
 2.29 extension educators to provide fair market
 2.30 values of destroyed or crippled livestock. If
 2.31 the commissioner receives federal dollars to
 2.32 pay claims for destroyed or crippled livestock,
 2.33 an equivalent amount of this appropriation
 2.34

3.1 may be used to reimburse nonlethal prevention
3.2 methods performed by federal wildlife services
3.3 staff.

3.4 (c) \$300,000 the first year and \$300,000 the
3.5 second year are for rapid detection,
3.6 identification, containment, control, and
3.7 management of high-priority plant pests and
3.8 pathogens including emerald ash borer. The
3.9 commissioner may also use these funds for
3.10 agricultural emergency preparedness and
3.11 response.

3.12 (d) \$155,000 the first year and \$155,000 the
3.13 second year are for compensation for crop
3.14 damage under Minnesota Statutes, section
3.15 3.7371. If the amount in the first year is
3.16 insufficient, the amount in the second year is
3.17 available in the first year. The commissioner
3.18 may use up to \$10,000 of the appropriation
3.19 each year to reimburse expenses incurred by
3.20 the commissioner or the commissioner's
3.21 approved agent to investigate and resolve
3.22 claims, as well as for costs associated with
3.23 training for approved agents. The
3.24 commissioner may use up to \$20,000 of the
3.25 appropriation each year to make grants to
3.26 producers for measures to protect stored crops
3.27 from elk damage.

3.28 If the commissioner determines that claims
3.29 made under Minnesota Statutes, section 3.737
3.30 or 3.7371, are unusually high, amounts
3.31 appropriated for either program may be
3.32 transferred to the appropriation for the other
3.33 program.

4.1 (e) \$225,000 the first year and \$225,000 the
 4.2 second year are for the noxious weed and
 4.3 invasive plant program.

4.4 (f) \$175,000 the first year and \$175,000 the
 4.5 second year are for industrial hemp
 4.6 development.

4.7 (g) \$110,000 the first year and \$110,000 the
 4.8 second year are for additional meat and poultry
 4.9 inspection services. The commissioner is
 4.10 encouraged to seek inspection waivers,
 4.11 matching federal dollars, and offer more online
 4.12 inspections for the purposes under this
 4.13 paragraph.

4.14 (h) \$225,000 the first year and \$225,000 the
 4.15 second year are to replace capital equipment
 4.16 in the Department of Agriculture's analytical
 4.17 laboratory.

4.18 **Subd. 3. Agricultural Marketing and**
 4.19 **Development**

3,996,000

3,996,000

4.20 (a) \$186,000 the first year and \$186,000 the
 4.21 second year are for transfer to the Minnesota
 4.22 grown account and may be used as grants for
 4.23 Minnesota grown promotion under Minnesota
 4.24 Statutes, section 17.102. Grants may be made
 4.25 for one year. Notwithstanding Minnesota
 4.26 Statutes, section 16A.28, the appropriations
 4.27 encumbered under contract on or before June
 4.28 30, 2023, for Minnesota grown grants in this
 4.29 paragraph are available until June 30, 2025.

4.30 (b) \$100,000 the first year and \$100,000 the
 4.31 second year are to expand domestic and
 4.32 international marketing opportunities for
 4.33 farmers and value-added processors, including

5.1 staffing to facilitate farm-to-school sales and
5.2 new markets for Minnesota-grown hemp.

5.3 (c) \$634,000 the first year and \$634,000 the
5.4 second year are for continuation of the dairy
5.5 development and profitability enhancement
5.6 and dairy business planning grant programs
5.7 established under Laws 1997, chapter 216,
5.8 section 7, subdivision 2, and Laws 2001, First
5.9 Special Session chapter 2, section 9,
5.10 subdivision 2. The commissioner may allocate
5.11 the available sums among permissible
5.12 activities, including efforts to improve the
5.13 quality of milk produced in the state, in the
5.14 proportions that the commissioner deems most
5.15 beneficial to Minnesota's dairy farmers. The
5.16 commissioner must submit a detailed
5.17 accomplishment report and a work plan
5.18 detailing future plans for, and anticipated
5.19 accomplishments from, expenditures under
5.20 this program to the chairs and ranking minority
5.21 members of the legislative committees and
5.22 divisions with jurisdiction over agriculture
5.23 policy and finance on or before the start of
5.24 each fiscal year. If significant changes are
5.25 made to the plans in the course of the year,
5.26 the commissioner must notify the chairs and
5.27 ranking minority members.

5.28 (d) \$50,000 the first year and \$50,000 the
5.29 second year are for additional community
5.30 outreach on farms and rural mental health
5.31 services including the 24-hour hotline, service
5.32 availability, and mental health forums. The
5.33 appropriations under this paragraph are
5.34 onetime.

6.1 (e) The commissioner may use funds
 6.2 appropriated in this subdivision for annual
 6.3 cost-share payments to resident farmers or
 6.4 entities that sell, process, or package
 6.5 agricultural products in this state for the costs
 6.6 of organic certification. The commissioner
 6.7 may allocate these funds for assistance to
 6.8 persons transitioning from conventional to
 6.9 organic agriculture.

6.10 **Subd. 4. Agriculture, Bioenergy, and Bioproduct**
 6.11 **Advancement**

24,588,000

24,589,000

6.12 (a) \$9,300,000 the first year and \$9,300,000
 6.13 the second year are for transfer to the
 6.14 agriculture research, education, extension, and
 6.15 technology transfer account under Minnesota
 6.16 Statutes, section 41A.14, subdivision 3. Of
 6.17 these amounts: at least \$600,000 the first year
 6.18 and \$600,000 the second year are for the
 6.19 Minnesota Agricultural Experiment Station's
 6.20 agriculture rapid response fund under
 6.21 Minnesota Statutes, section 41A.14,
 6.22 subdivision 1, clause (2); \$2,000,000 the first
 6.23 year and \$2,000,000 the second year are for
 6.24 grants to the Minnesota Agriculture Education
 6.25 Leadership Council to enhance agricultural
 6.26 education with priority given to Farm Business
 6.27 Management challenge grants; \$350,000 the
 6.28 first year and \$350,000 the second year are
 6.29 for potato breeding; and \$450,000 the first
 6.30 year and \$450,000 the second year are for the
 6.31 cultivated wild rice breeding project at the
 6.32 North Central Research and Outreach Center
 6.33 to include a tenure track/research associate
 6.34 plant breeder. The commissioner shall transfer
 6.35 the remaining funds in this appropriation each
 6.36 year to the Board of Regents of the University

7.1 of Minnesota for purposes of Minnesota
7.2 Statutes, section 41A.14. Of the amount
7.3 transferred to the Board of Regents, up to
7.4 \$1,000,000 each year is for research on avian
7.5 influenza, salmonella, and other turkey-related
7.6 diseases. By January 15, 2023, entities
7.7 receiving grants for potato breeding and wild
7.8 rice breeding are requested to report to the
7.9 chairs and ranking minority members of the
7.10 legislative committees with jurisdiction over
7.11 agriculture and higher education regarding the
7.12 use of the grant money and to provide an
7.13 update on the status of research and related
7.14 accomplishments.

7.15 To the extent practicable, money expended
7.16 under Minnesota Statutes, section 41A.14,
7.17 subdivision 1, clauses (1) and (2), must
7.18 supplement and not supplant existing sources
7.19 and levels of funding. The commissioner may
7.20 use up to \$93,000 each year of this
7.21 appropriation for costs incurred to administer
7.22 the program.

7.23 (b) \$15,288,000 the first year and \$15,289,000
7.24 the second year are for the agricultural growth,
7.25 research, and innovation program in
7.26 Minnesota Statutes, section 41A.12. Except
7.27 as provided below, the commissioner may
7.28 allocate the appropriation each year among
7.29 the following areas: facilitating the start-up,
7.30 modernization, improvement, or expansion of
7.31 livestock operations including beginning and
7.32 transitioning livestock operations with
7.33 preference given to robotic dairy-milking
7.34 equipment; providing funding not to exceed
7.35 \$500,000 each year to develop and enhance

8.1 farm-to-school markets for Minnesota farmers
8.2 by providing more fruits, vegetables, meat,
8.3 grain, and dairy for Minnesota children in
8.4 school and child care settings including, at the
8.5 commissioner's discretion, reimbursing
8.6 schools for purchases from local farmers;
8.7 assisting value-added agricultural businesses
8.8 to begin or expand, to access new markets, or
8.9 to diversify, including aquaponics systems;
8.10 providing funding not to exceed \$150,000
8.11 each year for the good food access program
8.12 under Minnesota Statutes, section 17.1017;
8.13 facilitating the start-up, modernization, or
8.14 expansion of other beginning and transitioning
8.15 farms including by providing loans under
8.16 Minnesota Statutes, section 41B.056;
8.17 providing funding not to exceed \$350,000
8.18 each year for new market development grants,
8.19 of which \$50,000 in the first year may be spent
8.20 for additional funding for the industrial hemp
8.21 program for information technology
8.22 development; sustainable agriculture on-farm
8.23 research and demonstration; development or
8.24 expansion of food hubs and other alternative
8.25 community-based food distribution systems;
8.26 enhancing renewable energy infrastructure
8.27 and use; crop research including basic and
8.28 applied turf seed research; Farm Business
8.29 Management tuition assistance; and good
8.30 agricultural practices/good handling practices
8.31 certification assistance. The commissioner
8.32 may use up to \$580,000 each year of this
8.33 appropriation for costs incurred to administer
8.34 the program.

9.1 Of the amount appropriated for the agricultural
9.2 growth, research, and innovation program in
9.3 Minnesota Statutes, section 41A.12:

9.4 (1) \$1,000,000 the first year and \$1,000,000
9.5 the second year are for distribution in equal
9.6 amounts to each of the state's county fairs to
9.7 preserve and promote Minnesota agriculture;

9.8 (2) \$4,000,000 the first year and \$4,000,000
9.9 the second year are for incentive payments
9.10 under Minnesota Statutes, sections 41A.16,
9.11 41A.17, and 41A.18. An incentive payment
9.12 must not exceed \$3,000,000 annually per
9.13 entity. Notwithstanding Minnesota Statutes,
9.14 section 16A.28, the first year appropriation is
9.15 available until June 30, 2023, and the second
9.16 year appropriation is available until June 30,
9.17 2024. If this appropriation exceeds the total
9.18 amount for which all producers are eligible in
9.19 a fiscal year, the balance of the appropriation
9.20 is available for the agricultural growth,
9.21 research, and innovation program;

9.22 (3) \$3,500,000 the first year and \$3,500,000
9.23 the second year are for grants that enable retail
9.24 petroleum dispensers, fuel storage tanks, and
9.25 other equipment to dispense biofuels to the
9.26 public in accordance with the biofuel
9.27 replacement goals established under
9.28 Minnesota Statutes, section 239.7911. A retail
9.29 petroleum dispenser selling petroleum for use
9.30 in spark ignition engines for vehicle model
9.31 years after 2000 is eligible for grant money
9.32 under this clause if the retail petroleum
9.33 dispenser has no more than 15 retail petroleum
9.34 dispensing sites and each site is located in
9.35 Minnesota. The grant money must be used to

10.1 replace or upgrade equipment that does not
10.2 have the ability to be certified for E25. A grant
10.3 award must not exceed 75 percent of the cost
10.4 of the technical assistance and appropriate
10.5 technology. A grant award must not exceed
10.6 \$200,000 per station. The commissioner must
10.7 cooperate with biofuel stakeholders in the
10.8 implementation of the grant program. The
10.9 commissioner must report to the chairs and
10.10 ranking minority members of the legislative
10.11 committees with jurisdiction over agriculture
10.12 by February 1 each year, detailing the number
10.13 of grants awarded statewide and by county,
10.14 and the projected effect of the grant program
10.15 on meeting the biofuel replacement goals
10.16 under Minnesota Statutes, section 239.7911.
10.17 These are onetime appropriations;
10.18 (4) \$500,000 the first year and \$500,000 the
10.19 second year are for grants to facilitate the
10.20 start-up, modernization, or expansion of meat,
10.21 poultry, egg, and milk processing facilities. A
10.22 grant award must not exceed \$200,000. When
10.23 allowed under federal law, the commissioner
10.24 shall first use federal COVID-19-related funds
10.25 for livestock processing before using
10.26 state-appropriated money under this clause for
10.27 similar services and expenses, except that the
10.28 commissioner must not use Coronavirus State
10.29 and Local Fiscal Recovery Funds from Public
10.30 Law 117-2, title IX, subtitle M, section 9901,
10.31 to satisfy the requirement under this clause;
10.32 (5) \$1,400,000 the first year and \$1,400,000
10.33 the second year are for livestock investment
10.34 grants under Minnesota Statutes, section

11.1 17.118. A grant award must not exceed
11.2 \$200,000;
11.3 (6) \$2,000,000 the first year and \$2,000,000
11.4 the second year are for value-added grants.
11.5 When allowed under federal law, the
11.6 commissioner shall first use federal
11.7 COVID-19-related funds for livestock
11.8 processing before using state-appropriated
11.9 money under this clause for similar services
11.10 and expenses, except that the commissioner
11.11 must not use Coronavirus State and Local
11.12 Fiscal Recovery Funds from Public Law
11.13 117-2, title IX, subtitle M, section 9901, to
11.14 satisfy the requirement under this clause;
11.15 (7) \$600,000 the first year and \$600,000 the
11.16 second year are for Farm Business
11.17 Management tuition assistance;
11.18 (8) \$500,000 the first year and \$500,000 the
11.19 second year are for grants for beginning
11.20 farmers. These are onetime appropriations;
11.21 (9) \$25,000 the first year and \$25,000 the
11.22 second year are for Southern Minnesota
11.23 Initiative Foundation's promotion of local
11.24 foods through an annual event that raises
11.25 public awareness of local foods and connects
11.26 local food producers and processors with
11.27 potential buyers;
11.28 (10) \$100,000 the first year and \$100,000 the
11.29 second year are for grants to Greater Mankato
11.30 Growth, Inc., for assistance to
11.31 agriculture-related businesses to promote jobs,
11.32 innovation, and synergy development. This is
11.33 a onetime appropriation; and

12.1 (11) \$75,000 the first year and \$75,000 the
 12.2 second year are for grants to the Minnesota
 12.3 Turf Seed Council for basic and applied
 12.4 research. The Minnesota Turf Seed Council
 12.5 may subcontract with a qualified third party
 12.6 for some or all of the basic or applied research.
 12.7 No later than January 15, 2023, the Minnesota
 12.8 Turf Seed Council must submit a report
 12.9 outlining the use of the grant money and
 12.10 related accomplishments to the chairs and
 12.11 ranking minority members of the legislative
 12.12 committees with jurisdiction over agriculture.
 12.13 This is a onetime appropriation.

12.14 Notwithstanding Minnesota Statutes, section
 12.15 16A.28, any unencumbered balance does not
 12.16 cancel at the end of the first year and is
 12.17 available for the second year, and
 12.18 appropriations encumbered under contract on
 12.19 or before June 30, 2023, for agricultural
 12.20 growth, research, and innovation grants are
 12.21 available until June 30, 2026.

12.22 The base amount for the agricultural growth,
 12.23 research, and innovation program is
 12.24 \$14,906,000 in fiscal year 2024 and
 12.25 \$14,906,000 in fiscal year 2025, and includes
 12.26 funding for incentive payments under
 12.27 Minnesota Statutes, sections 41A.16, 41A.17,
 12.28 41A.18, and 41A.20.

12.29 **Subd. 5. Administration and Financial**
 12.30 **Assistance**

12.31 (a) \$474,000 the first year and \$474,000 the
 12.32 second year are for payments to county and
 12.33 district agricultural societies and associations
 12.34 under Minnesota Statutes, section 38.02,
 12.35 subdivision 1. Aid payments to county and

7,989,0007,824,000

- 13.1 district agricultural societies and associations
13.2 shall be disbursed no later than July 15 of each
13.3 year. These payments are the amount of aid
13.4 from the state for an annual fair held in the
13.5 previous calendar year.
- 13.6 (b) \$50,000 the first year and \$50,000 the
13.7 second year are for the Northern Crops
13.8 Institute. These appropriations may be spent
13.9 to purchase equipment. These are onetime
13.10 appropriations.
- 13.11 (c) \$217,000 the first year and \$277,000 the
13.12 second year are for farm advocate services.
13.13 This appropriation is in addition to funds
13.14 allocated in section 5. When allowed under
13.15 federal law, the commissioner shall first use
13.16 federal COVID-19-related relief funds for
13.17 farm advocate services before using state
13.18 appropriated money under this paragraph for
13.19 similar services and expenses, except that the
13.20 commissioner must not use Coronavirus State
13.21 and Local Fiscal Recovery Funds from Public
13.22 Law 117-2, title IX, subtitle M, section 9901,
13.23 to satisfy the requirement under this paragraph.
13.24 The base amount for this appropriation in
13.25 fiscal year 2024 and thereafter is \$277,000.
- 13.26 (d) \$238,000 the first year and \$238,000 the
13.27 second year are for transfer to the Board of
13.28 Trustees of the Minnesota State Colleges and
13.29 Universities for statewide mental health
13.30 counseling support to farm families and
13.31 business operators through the Minnesota State
13.32 Agricultural Centers of Excellence. South
13.33 Central College and Central Lakes College
13.34 shall serve as the fiscal agents.

14.1 (e) \$1,700,000 the first year and \$1,700,000
14.2 the second year are for grants to Second
14.3 Harvest Heartland on behalf of Minnesota's
14.4 six Feeding America food banks for the
14.5 following:

14.6 (1) to purchase milk for distribution to
14.7 Minnesota's food shelves and other charitable
14.8 organizations that are eligible to receive food
14.9 from the food banks. Milk purchased under
14.10 the grants must be acquired from Minnesota
14.11 milk processors and based on low-cost bids.
14.12 The milk must be allocated to each Feeding
14.13 America food bank serving Minnesota
14.14 according to the formula used in the
14.15 distribution of United States Department of
14.16 Agriculture commodities under The
14.17 Emergency Food Assistance Program. Second
14.18 Harvest Heartland may enter into contracts or
14.19 agreements with food banks for shared funding
14.20 or reimbursement of the direct purchase of
14.21 milk. Each food bank that receives funding
14.22 under this clause may use up to two percent
14.23 for administrative expenses;

14.24 (2) to compensate agricultural producers and
14.25 processors for costs incurred to harvest and
14.26 package for transfer surplus fruits, vegetables,
14.27 and other agricultural commodities that would
14.28 otherwise go unharvested, be discarded, or
14.29 sold in a secondary market. Surplus
14.30 commodities must be distributed statewide to
14.31 food shelves and other charitable organizations
14.32 that are eligible to receive food from the food
14.33 banks. Surplus food acquired under this clause
14.34 must be from Minnesota producers and
14.35 processors. Second Harvest Heartland may

15.1 use up to 15 percent of each grant awarded
15.2 under this clause for administrative and
15.3 transportation expenses; and
15.4 (3) to purchase and distribute protein products,
15.5 which must be surplus products when
15.6 practicable, including but not limited to pork,
15.7 poultry, beef, dry legumes, cheese, and eggs
15.8 to Minnesota's food shelves and other
15.9 charitable organizations that are eligible to
15.10 receive food from the food banks. Second
15.11 Harvest Heartland may use up to two percent
15.12 of each grant awarded under this clause for
15.13 administrative expenses. To the extent
15.14 practicable, protein products purchased under
15.15 the grants must be acquired from Minnesota
15.16 processors and producers.
15.17 Of the amount appropriated under this
15.18 paragraph, at least \$600,000 each year must
15.19 be allocated under clause (1). Notwithstanding
15.20 Minnesota Statutes, section 16A.28, any
15.21 unencumbered balance the first year does not
15.22 cancel and is available in the second year.
15.23 Second Harvest Heartland must submit
15.24 quarterly reports to the commissioner and the
15.25 chairs and ranking minority members of the
15.26 legislative committees with jurisdiction over
15.27 agriculture finance in the form prescribed by
15.28 the commissioner. The reports must include
15.29 but are not limited to information on the
15.30 expenditure of funds, the amount of milk or
15.31 other commodities purchased, and the
15.32 organizations to which this food was
15.33 distributed. When allowed under federal law,
15.34 the commissioner shall first use federal
15.35 COVID-19-related relief funds for food

16.1 shelves before using state-appropriated money
16.2 under this paragraph for similar services and
16.3 expenses, except that the commissioner must
16.4 not use Coronavirus State and Local Fiscal
16.5 Recovery Funds from Public Law 117-2, title
16.6 IX, subtitle M, section 9901, to satisfy the
16.7 requirement under this paragraph.

16.8 (f) \$150,000 the first year and \$150,000 the
16.9 second year are for grants to the Center for
16.10 Rural Policy and Development.

16.11 (g) \$250,000 the first year and \$250,000 the
16.12 second year are for grants to the Minnesota
16.13 Agricultural Education and Leadership
16.14 Council for programs of the council under
16.15 Minnesota Statutes, chapter 41D.

16.16 (h) \$100,000 the first year and \$100,000 the
16.17 second year are for farm safety grants and
16.18 outreach programs under Minnesota Statutes,
16.19 section 17.1195. Of this amount, \$10,000 is
16.20 for outreach, which may include creating and
16.21 presenting a grain storage facility safety
16.22 curriculum.

16.23 (i) \$200,000 the first year is to provide grants
16.24 to Central Lakes College for the purposes of
16.25 designing, building, and offering credentials
16.26 in the area of meat cutting and butchery that
16.27 align with industry needs as advised by local
16.28 industry advisory councils. Notwithstanding
16.29 Minnesota Statutes, section 16A.28, any
16.30 unencumbered balance does not cancel at the
16.31 end of the first year and is available for the
16.32 second year. This is a onetime appropriation.
16.33 Grants may be used for costs including but
16.34 not limited to:

- 17.1 (1) facility renovation to accommodate meat
17.2 cutting;
- 17.3 (2) curriculum design and approval from the
17.4 Higher Learning Commission;
- 17.5 (3) program operational start-up costs;
- 17.6 (4) equipment required for a meat cutting
17.7 program; and
- 17.8 (5) meat handling start-up costs in regard to
17.9 meat access and market channel building.
- 17.10 No later than January 15, 2023, Central Lakes
17.11 College must prepare a report outlining the
17.12 use of grant money to the chairs and ranking
17.13 minority members of the legislative
17.14 committees and divisions with jurisdiction
17.15 over agriculture and higher education.
- 17.16 (j) \$25,000 the first year is for grants to
17.17 organizations to acquire, host, and operate a
17.18 mobile slaughter unit. The mobile unit must
17.19 coordinate with Minnesota state two-year
17.20 colleges that have meat cutting programs to
17.21 accommodate training as it relates to animal
17.22 slaughter. The mobile unit may coordinate
17.23 with livestock producers who desire to provide
17.24 value-added meat products by utilizing the
17.25 mobile slaughter unit. The mobile unit may
17.26 be used for research, training outside of the
17.27 two-year colleges, and other activities that
17.28 align with industry needs. This is a onetime
17.29 appropriation.
- 17.30 The commissioner is encouraged to seek
17.31 federal funds for the purpose under this
17.32 paragraph, except that the commissioner must
17.33 not use Coronavirus State and Local Fiscal
17.34 Recovery Funds from Public Law 117-2, title

18.1 IX, subtitle M, section 9901, to satisfy the
 18.2 requirement under this paragraph. By January
 18.3 15, 2023, the commissioner must report to the
 18.4 chairs and ranking minority members of the
 18.5 legislative committees with jurisdiction over
 18.6 agriculture regarding the status of the project,
 18.7 including on the use of any state or federal
 18.8 funds to complete the project.

18.9 (k) The commissioner shall continue to
 18.10 increase connections between ethnic minority
 18.11 and immigrant farmers and farming
 18.12 opportunities and farming programs
 18.13 throughout the state.

18.14 **Sec. 3. BOARD OF ANIMAL HEALTH** **\$ 5,877,000 \$ 5,877,000**

18.15 (a) \$200,000 the first year and \$200,000 the
 18.16 second year are for agricultural emergency
 18.17 preparedness and response.

18.18 (b) \$200,000 the first year and \$200,000 the
 18.19 second year are for the board's regulatory
 18.20 responsibilities and oversight over farmed
 18.21 Cervidae.

18.22 **Sec. 4. AGRICULTURAL UTILIZATION**
 18.23 **RESEARCH INSTITUTE** **\$ 3,893,000 \$ 3,893,000**

18.24 Sec. 5. Laws 2020, chapter 101, section 5, subdivision 2, is amended to read:

18.25 Subd. 2. **Farm advocate services.** (a) \$60,000 in fiscal year 2020 is appropriated from
 18.26 the coronavirus relief federal fund to the commissioner of agriculture for additional farm
 18.27 advocate services in response to the COVID-19 crisis. This is a onetime appropriation.

18.28 (b) By January 31, 2022, the commissioner must report to the chairs and ranking minority
 18.29 members of the legislative committees with jurisdiction over agriculture finance regarding
 18.30 the uses of this appropriation. This report must include but is not limited to a description
 18.31 of the methods used to recruit applicants for this position and list the number of people who
 18.32 applied for positions created by this appropriation, the number of people interviewed for

19.1 positions created by this appropriation, and the number of people hired for positions created
19.2 by this appropriation.

19.3 **EFFECTIVE DATE.** This section is effective retroactively from December 30, 2020.

19.4 Sec. 6. Laws 2020, chapter 101, section 5, subdivision 7, is amended to read:

19.5 Subd. 7. **Eligible expenditure from the coronavirus relief fund.** (a) No money in this
19.6 section may be spent until the commissioner of management and budget determines that
19.7 the appropriations in this section are an eligible use of the coronavirus relief fund.

19.8 (b) The commissioner may transfer funds between the appropriations under subdivisions
19.9 4 and 6 based on need, the availability of nonstate funds, or other factors.

19.10 (c) The appropriations in ~~this section~~ subdivisions 1, 3, 4, 5, and 6, are available until
19.11 December 30, 2020. The appropriation in subdivision 2 is available until December 31,
19.12 2021.

19.13 **EFFECTIVE DATE.** This section is effective retroactively from December 30, 2020.

19.14 Sec. 7. **CANCELLATIONS.**

19.15 (a) The day following final enactment of this section, \$916,553 of the 2021 fiscal year
19.16 appropriation for protection services under Laws 2019, First Special Session chapter 1,
19.17 article 1, section 2, subdivision 2, is canceled to the general fund.

19.18 (b) The day following final enactment of this section, \$136,000 of the 2021 fiscal year
19.19 appropriation for agricultural marketing and development under Laws 2019, First Special
19.20 Session chapter 1, article 1, section 2, subdivision 3, is canceled to the general fund.

19.21 (c) The day following final enactment of this section, \$120,000 of the 2021 fiscal year
19.22 appropriation for agriculture, bioenergy, and bioproduct advancement under Laws 2019,
19.23 First Special Session chapter 1, article 1, section 2, subdivision 4, is canceled to the general
19.24 fund.

19.25 (d) The day following final enactment of this section, \$157,500 of the 2021 fiscal year
19.26 appropriation for administration and financial assistance under Laws 2019, First Special
19.27 Session chapter 1, article 1, section 2, subdivision 5, is canceled to the general fund.

20.1 **ARTICLE 2**

20.2 **AGRICULTURAL AND RURAL DEVELOPMENT POLICY**

20.3 Section 1. Minnesota Statutes 2020, section 3.737, is amended by adding a subdivision
20.4 to read:

20.5 Subd. 7. **Report.** The commissioner must submit a report to the chairs and ranking
20.6 minority members of the house of representatives and senate committees and divisions with
20.7 jurisdiction over agriculture and environment and natural resources by December 15 each
20.8 year. The report must include:

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

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

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

20.14 Sec. 2. Minnesota Statutes 2020, section 17.1017, subdivision 6, is amended to read:

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

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

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

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

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

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

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

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

21.3 ~~(3)~~(2) allocate at least 30 percent of retail space for the sale of affordable, nutritious,
 21.4 and culturally appropriate foods, including fruits and vegetables, low-fat and nonfat dairy,
 21.5 fortified dairy substitute beverages such as soy-based or nut-based dairy substitute beverages,
 21.6 whole grain-rich staple foods, meats, poultry, fish, seafood, and other proteins, consistent
 21.7 with nutrition standards in national guidelines described in the current United States
 21.8 Department of Agriculture Dietary Guidelines for Americans;

21.9 ~~(4)~~(3) comply with all data collection and reporting requirements established by the
 21.10 commissioner; and

21.11 ~~(5)~~(4) promote the hiring, training, and retention of local or regional residents from
 21.12 low-income and moderate-income areas that reflect area demographics, including
 21.13 communities of color.

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

21.21 Sec. 3. Minnesota Statutes 2020, section 18B.33, subdivision 1, is amended to read:

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

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

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

22.1 (d) A person who uses a general-use sanitizer or disinfectant for hire is exempt from the
22.2 commercial applicator license requirements under this section.

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

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

22.5 Subd. 4. **Reimbursement payments.** (a) The board shall pay a person that is eligible
22.6 for reimbursement or payment under subdivisions 1, 2, and 3 from the agricultural chemical
22.7 response and reimbursement account for 80 percent of the total reasonable and necessary
22.8 corrective action costs greater than \$1,000 and less than or equal to ~~\$350,000~~\$600,000.

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

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

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

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

22.18 (1) were not reported at the time of release but were discovered and reported after July
22.19 1, 1989; and

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

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

22.24 (g) Except for an emergency incident, the board may not reimburse or pay for more than
22.25 60 percent of the corrective action costs of an eligible person or for an incident within five
22.26 years of a previous incident at a single site resulting from a site recontamination.

22.27 (h) The deduction of \$1,000 and 20 percent from the ~~\$350,000~~\$600,000 remuneration
22.28 may be waived by the board if the incident took place on or after August 18, 2007, and was
22.29 caused by flooding associated with Presidential Declaration of Major Disaster DR-1717.

23.1 Sec. 5. **[25.391] EXEMPTION FOR COTTAGE FOOD PRODUCERS;**
 23.2 **HOME-PROCESSED PET TREATS.**

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

23.6 (1) the individual is registered with the commissioner under section 28A.152, subdivision
 23.7 4;

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

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

23.12 (4) the individual displays at the point of sale a clearly legible sign or placard stating,
 23.13 "These pet treats are homemade and not subject to state inspection"; and

23.14 (5) each individual pet treat package is labeled with the following: (i) the name, home
 23.15 address or post office box address, and phone number of the individual preparing the pet
 23.16 treat; (ii) the date on which the pet treat was prepared; (iii) the ingredients listed in descending
 23.17 order of predominance; and (iv) the following statement: "These pet treats are homemade
 23.18 and not subject to state inspection."

23.19 Subd. 2. **Direct sales to consumers.** An individual qualifying for the exemption under
 23.20 subdivision 1 may sell the exempt pet treats to consumers in accordance with section
 23.21 28A.152, subdivision 2.

23.22 Sec. 6. Minnesota Statutes 2020, section 28A.15, is amended by adding a subdivision to
 23.23 read:

23.24 Subd. 11. **Seasonal processors of game meat.** A person who processes noninspected
 23.25 meat from game animals, as that term is defined in Minnesota Rules, part 4626.0020, subpart
 23.26 37, for the owner of the carcass, and who returns the meat products derived from the
 23.27 processing to the owner, if the person does not engage in processing for more than one
 23.28 90-day period per calendar year.

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

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

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

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

24.7 (i) the prepared food offered for sale under this clause is labeled to accurately reflect
24.8 the name and the registration number or address of the individual preparing and selling the
24.9 food, the date on which the food was prepared, and the ingredients and any possible allergens;
24.10 and

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

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

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

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

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

24.20 (iv) each container of the product sold or offered for sale under this clause is accurately
24.21 labeled to provide the name and the registration number or address of the individual who
24.22 processed and canned the goods, the date on which the goods were processed and canned,
24.23 and ingredients and any possible allergens.

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

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

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

24.29 Subd. 3. **Limitation on sales.** An individual selling exempt foods under this section is
24.30 limited to total sales with gross receipts of ~~\$18,000~~ \$78,000 or less in a calendar year.
24.31 Beginning January 1, 2027, and every five years thereafter, the commissioner shall adjust

25.1 the maximum gross receipts amount under this subdivision based on the consumer price
 25.2 index using 2021 as the index year.

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

25.4 Subd. 4. **Registration.** An individual who prepares and sells exempt food under
 25.5 subdivision 1 must register annually with the commissioner. The commissioner shall register
 25.6 an individual within 30 days of submitting a complete registration to the commissioner. A
 25.7 registration shall be deemed accepted after 30 days following an individual's complete
 25.8 registration to the commissioner. The annual registration fee is ~~\$50~~ \$25. An individual with
 25.9 \$5,000 or less in annual gross receipts from the sale of exempt food under this section is
 25.10 not required to pay the registration fee. Beginning January 1, 2022, and every five years
 25.11 thereafter, the commissioner shall adjust the gross receipts amount of this fee exemption
 25.12 based on the consumer price index using 2015 as the index year for the \$5,000 gross receipts
 25.13 exemption.

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

25.15 Subd. 5. **Training.** (a) An individual ~~with gross receipts between \$5,000 and \$18,000~~
 25.16 ~~in a calendar year from the sale of~~ who sells exempt food under this section and is required
 25.17 to pay the registration fee in subdivision 4 must complete a safe food handling training
 25.18 course that is approved by the commissioner before registering under subdivision 4. The
 25.19 training shall not exceed eight hours and must be completed every three years while the
 25.20 individual is registered under subdivision 4.

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

25.26 Sec. 11. Minnesota Statutes 2020, section 31A.15, subdivision 1, is amended to read:

25.27 Subdivision 1. **Inspection.** The provisions of sections 31A.01 to 31A.16 requiring
 25.28 inspection of the slaughter of animals and the preparation of the carcasses, parts of carcasses,
 25.29 meat, poultry, poultry food products, and meat food products at establishments conducting
 25.30 slaughter and preparation do not apply:

25.31 (1) to the processing by a person of the person's own animals and the owner's preparation
 25.32 and transportation in intrastate commerce of the carcasses, parts of carcasses, meat, poultry,

26.1 poultry food products, and meat food products of those animals exclusively for use by the
 26.2 owner and members of the owner's household, nonpaying guests, and employees; ~~or~~

26.3 (2) to the custom processing by a person of animals, wild game, or fowl delivered by
 26.4 the owner for processing, and the preparation or transportation in intrastate commerce of
 26.5 the carcasses, parts of carcasses, meat, poultry, poultry food products, and meat food products
 26.6 of animals, exclusively for use in the household of the owner by the owner and members
 26.7 of the owner's household, nonpaying guests, and employees. Meat from custom processing
 26.8 must be identified and handled as required by the commissioner, during all phases of
 26.9 processing, chilling, cooling, freezing, preparation, storage, and transportation. The custom
 26.10 processor may not engage in the business of buying or selling carcasses, parts of carcasses,
 26.11 meat, poultry, poultry food products, or meat food products of animals usable as human
 26.12 food unless the carcasses, parts of carcasses, meat, poultry, poultry food products, or meat
 26.13 food products have been inspected and passed and are identified as inspected and passed
 26.14 by the Minnesota Department of Agriculture or the United States Department of Agriculture;
 26.15 or

26.16 (3) to the custom processing of meat from game animals not listed in clause (2) for the
 26.17 owner of the carcasses, if the custom processor returns the meat products derived from the
 26.18 processing to the owner and does not engage in custom processing for more than one 90-day
 26.19 period per calendar year. For purposes of this clause, "game animals" has the meaning given
 26.20 in Minnesota Rules, part 4626.0020, subpart 37.

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

26.22 Sec. 12. Minnesota Statutes 2020, section 35.155, subdivision 5, is amended to read:

26.23 Subd. 5. **Disease control programs.** Farmed Cervidae are subject to this chapter and
 26.24 the rules of the Board of Animal Health in the same manner as other livestock and domestic
 26.25 animals, including provisions related to importation and transportation. The board must not
 26.26 designate or continue a disease management or endemic zone for chronic wasting disease
 26.27 unless chronic wasting disease is found on a specific property where a cervid farm is located.
 26.28 The zone is limited to that chronic wasting disease positive property and does not extend
 26.29 to other noncontiguous property owned by the same person or entity.

26.30 Sec. 13. Minnesota Statutes 2020, section 35.155, subdivision 11, is amended to read:

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

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

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

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

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

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

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

27.14 Sec. 14. Minnesota Statutes 2020, section 41A.16, subdivision 5, is amended to read:

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

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

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

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

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

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

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

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

28.12 Sec. 15. Minnesota Statutes 2020, section 41A.17, subdivision 4, is amended to read:

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

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

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

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

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

28.27 (b) An eligible producer who utilizes agricultural cellulosic biomass and receives
28.28 payments under this section shall submit an annual report on the producer's responsible
28.29 biomass sourcing plan to the commissioner by January 15 each year. The report must include
28.30 data on progress made by the producer in meeting specific goals laid out in the plan. The
28.31 commissioner shall make the report publicly available. The commissioner shall perform an
28.32 annual review of submitted reports and may make a determination that the producer is not
28.33 following the plan based on the reports submitted. The commissioner may take appropriate

29.1 steps, including reducing or ceasing payments, until the producer is in compliance with the
29.2 plan.

29.3 Sec. 16. Minnesota Statutes 2020, section 116.07, subdivision 7, is amended to read:

29.4 Subd. 7. **Counties; processing applications for animal lot permits.** (a) Any Minnesota
29.5 county board may, by resolution, with approval of the Pollution Control Agency, assume
29.6 responsibility for processing applications for permits required by the Pollution Control
29.7 Agency under this section for livestock feedlots, poultry lots or other animal lots. The
29.8 responsibility for permit application processing, if assumed by a county, may be delegated
29.9 by the county board to any appropriate county officer or employee.

29.10 (b) For the purposes of this subdivision, the term "processing" includes:

29.11 (1) the distribution to applicants of forms provided by the Pollution Control Agency;

29.12 (2) the receipt and examination of completed application forms, and the certification,
29.13 in writing, to the Pollution Control Agency either that the animal lot facility for which a
29.14 permit is sought by an applicant will comply with applicable rules and standards, or, if the
29.15 facility will not comply, the respects in which a variance would be required for the issuance
29.16 of a permit; and

29.17 (3) rendering to applicants, upon request, assistance necessary for the proper completion
29.18 of an application.

29.19 (c) For the purposes of this subdivision, the term "processing" may include, at the option
29.20 of the county board, issuing, denying, modifying, imposing conditions upon, or revoking
29.21 permits pursuant to the provisions of this section or rules promulgated pursuant to it, subject
29.22 to review, suspension, and reversal by the Pollution Control Agency. The Pollution Control
29.23 Agency shall, after written notification, have 15 days to review, suspend, modify, or reverse
29.24 the issuance of the permit. After this period, the action of the county board is final, subject
29.25 to appeal as provided in chapter 14. For permit applications filed after October 1, 2001,
29.26 section 15.99 applies to feedlot permits issued by the agency or a county pursuant to this
29.27 subdivision.

29.28 (d) For the purpose of administration of rules adopted under this subdivision, the
29.29 commissioner and the agency may provide exceptions for cases where the owner of a feedlot
29.30 has specific written plans to close the feedlot within five years. These exceptions include
29.31 waiving requirements for major capital improvements.

30.1 (e) For purposes of this subdivision, a discharge caused by an extraordinary natural event
30.2 such as a precipitation event of greater magnitude than the 25-year, 24-hour event, tornado,
30.3 or flood in excess of the 100-year flood is not a "direct discharge of pollutants."

30.4 (f) In adopting and enforcing rules under this subdivision, the commissioner shall
30.5 cooperate closely with other governmental agencies.

30.6 (g) The Pollution Control Agency shall work with the Minnesota Extension Service, the
30.7 Department of Agriculture, the Board of Water and Soil Resources, producer groups, local
30.8 units of government, as well as with appropriate federal agencies such as the Natural
30.9 Resources Conservation Service and the Farm Service Agency, to notify and educate
30.10 producers of rules under this subdivision at the time the rules are being developed and
30.11 adopted and at least every two years thereafter.

30.12 (h) The Pollution Control Agency shall adopt rules governing the issuance and denial
30.13 of permits for livestock feedlots, poultry lots or other animal lots pursuant to this section.
30.14 Pastures are exempt from the rules authorized under this paragraph. ~~No feedlot permit shall~~
30.15 ~~include any terms or conditions that impose any requirements related to any pastures owned~~
30.16 ~~or utilized by the feedlot operator other than restrictions under a manure management plan.~~
30.17 A feedlot permit is not required for livestock feedlots with more than ten but less than 50
30.18 animal units; provided they are not in shoreland areas. A livestock feedlot permit does not
30.19 become required solely because of a change in the ownership of the buildings, grounds, or
30.20 feedlot. These rules apply both to permits issued by counties and to permits issued by the
30.21 Pollution Control Agency directly. No feedlot permit issued by the Pollution Control Agency
30.22 shall include terms or conditions that:

30.23 (1) impose requirements related to pastures owned or used by the feedlot operator other
30.24 than restrictions under a manure management plan;

30.25 (2) prohibit application of solid manure during February and March;

30.26 (3) require establishing a cover crop as a condition of allowing application of manure
30.27 in September; or

30.28 (4) require implementing nitrogen best management practices as a condition of allowing
30.29 application of manure in October.

30.30 (i) The Pollution Control Agency shall exercise supervising authority with respect to
30.31 the processing of animal lot permit applications by a county.

30.32 (j) Any new rules or amendments to existing rules proposed under the authority granted
30.33 in this subdivision, or to implement new fees on animal feedlots, must be submitted to the

31.1 members of legislative policy and finance committees with jurisdiction over agriculture and
31.2 the environment prior to final adoption. The rules must not become effective until 90 days
31.3 after the proposed rules are submitted to the members.

31.4 (k) Until new rules are adopted that provide for plans for manure storage structures, any
31.5 plans for a liquid manure storage structure must be prepared or approved by a registered
31.6 professional engineer or a United States Department of Agriculture, Natural Resources
31.7 Conservation Service employee.

31.8 (l) A county may adopt by ordinance standards for animal feedlots that are more stringent
31.9 than standards in Pollution Control Agency rules.

31.10 (m) After January 1, 2001, a county that has not accepted delegation of the feedlot permit
31.11 program must hold a public meeting prior to the agency issuing a feedlot permit for a feedlot
31.12 facility with 300 or more animal units, unless another public meeting has been held with
31.13 regard to the feedlot facility to be permitted.

31.14 (n) After the proposed rules published in the State Register, volume 24, number 25, are
31.15 finally adopted, the agency may not impose additional conditions as a part of a feedlot
31.16 permit, unless specifically required by law or agreed to by the feedlot operator.

31.17 (o) For the purposes of feedlot permitting, a discharge from land-applied manure or a
31.18 manure stockpile that is managed according to agency rule must not be subject to a fine for
31.19 a discharge violation.

31.20 (p) For the purposes of feedlot permitting, manure that is land applied, or a manure
31.21 stockpile that is managed according to agency rule, must not be considered a discharge into
31.22 waters of the state, unless the discharge is to waters of the state, as defined by section
31.23 103G.005, subdivision 17, except type 1 or type 2 wetlands, as defined in section 103G.005,
31.24 subdivision 17b, and does not meet discharge standards established for feedlots under agency
31.25 rule.

31.26 (q) Unless the upgrade is needed to correct an immediate public health threat under
31.27 section 145A.04, subdivision 8, or the facility is determined to be a concentrated animal
31.28 feeding operation under Code of Federal Regulations, title 40, section 122.23, in effect on
31.29 April 15, 2003, the agency may not require a feedlot operator:

31.30 (1) to spend more than \$3,000 to upgrade an existing feedlot with less than 300 animal
31.31 units unless cost-share money is available to the feedlot operator for 75 percent of the cost
31.32 of the upgrade; or

32.1 (2) to spend more than \$10,000 to upgrade an existing feedlot with between 300 and
 32.2 500 animal units, unless cost-share money is available to the feedlot operator for 75 percent
 32.3 of the cost of the upgrade or \$50,000, whichever is less.

32.4 (r) A feedlot operator who stores and applies up to 100,000 gallons per calendar year of
 32.5 private truck wash wastewater resulting from trucks that transport animals or supplies to
 32.6 and from the feedlot does not require a permit to land-apply industrial by-products if the
 32.7 feedlot operator stores and applies the wastewater in accordance with Pollution Control
 32.8 Agency requirements for land applications of industrial by-product that do not require a
 32.9 permit.

32.10 (s) A feedlot operator who holds a permit from the Pollution Control Agency to
 32.11 land-apply industrial by-products from a private truck wash is not required to have a certified
 32.12 land applicator apply the private truck wash wastewater if the wastewater is applied by the
 32.13 feedlot operator to cropland owned or leased by the feedlot operator or by a commercial
 32.14 animal waste technician licensed by the commissioner of agriculture under chapter 18C.
 32.15 For purposes of this paragraph and paragraph (r), "private truck wash" means a truck washing
 32.16 facility owned or leased, operated, and used only by a feedlot operator to wash trucks owned
 32.17 or leased by the feedlot operator and used to transport animals or supplies to and from the
 32.18 feedlot.

32.19 **EFFECTIVE DATE.** This section is effective retroactively from February 1, 2021.

32.20 Sec. 17. Minnesota Statutes 2020, section 156.12, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

33.24 **Sec. 18. AMENDING PERMITS TO CONFORM WITH ACT.**

33.25 The commissioner of the Pollution Control Agency must, when necessary, amend all
 33.26 general and individual permits for feedlots to conform with Minnesota Statutes, section
 33.27 116.07, subdivision 7, paragraph (h), as amended by section 16.

33.28 **EFFECTIVE DATE.** This section is effective retroactively from February 1, 2021.

33.29 **Sec. 19. DISCONTINUATION OF CURRENT ZONES.**

33.30 All disease management or endemic zones in effect on the effective date of this section
 33.31 that do not contain a chronic wasting disease positive cervid farm are discontinued.

34.1 **ARTICLE 3**
 34.2 **BROADBAND**

34.3 Section 1. **APPROPRIATIONS.**

34.4 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 34.5 and for the purposes specified in this article. The appropriations are from the general fund,
 34.6 or another named fund, and are available for the fiscal years indicated for each purpose.
 34.7 The figures "2022" and "2023" used in this article mean that the appropriations listed under
 34.8 them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively.
 34.9 "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium"
 34.10 is fiscal years 2022 and 2023.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2022</u>	<u>2023</u>
34.11		
34.12		
34.13		
34.14		
34.15		
34.16	<u>\$</u>	<u>\$</u>
	<u>30,350,000</u>	<u>10,350,000</u>

34.15 **Sec. 2. DEPARTMENT OF EMPLOYMENT**
 34.16 **AND ECONOMIC DEVELOPMENT**

34.17 (a) \$350,000 each year is for the Office of
 34.18 Broadband Development.

34.19 (b) \$30,000,000 the first year and \$10,000,000
 34.20 the second year are appropriated from the
 34.21 general fund to the commissioner of
 34.22 employment and economic development for
 34.23 deposit in the border-to-border broadband fund
 34.24 account under Minnesota Statutes, section
 34.25 116J.396. Of the amount in fiscal year 2022,
 34.26 \$10,000,000 must be used only to provide
 34.27 broadband service in unserved areas and
 34.28 broadband infrastructure as defined in
 34.29 Minnesota Statutes, section 116J.394, in
 34.30 underserved areas when used to provide
 34.31 service in unserved areas. Notwithstanding
 34.32 the limitation in Minnesota Statutes, section
 34.33 116J.395, subdivision 7, paragraph (a), the
 34.34 grants are available for 55 percent of the total
 34.35 project cost if money is received from another
 34.36 nonstate entity for the project. The nonstate

35.1 entity may include but is not limited to
 35.2 organized townships, cities, counties,
 35.3 foundations, nonprofits, school districts, or
 35.4 higher education institutions. Except as
 35.5 specified in this section, the appropriation
 35.6 must be used for grants and the purposes
 35.7 specified under Minnesota Statutes, sections
 35.8 116J.395 and 116J.396. These are onetime
 35.9 appropriations.

35.10 (c) When allowed under federal law, the
 35.11 commissioner shall first use federal
 35.12 COVID-19-related relief funds of up to
 35.13 \$30,000,000 the first year and up to
 35.14 \$50,000,000 in the second year if federal funds
 35.15 are available for broadband before using
 35.16 state-appropriated money under this paragraph
 35.17 for similar services and expenses, except that
 35.18 the commissioner must not use Coronavirus
 35.19 State and Local Fiscal Recovery Funds from
 35.20 Public Law 117-2, title IX, subtitle M, section
 35.21 9901, to satisfy the requirement under this
 35.22 paragraph.

35.23 Sec. 3. Minnesota Statutes 2020, section 116J.394, is amended to read:

35.24 **116J.394 DEFINITIONS.**

35.25 (a) For the purposes of sections 116J.394 to 116J.398, the following terms have the
 35.26 meanings given them.

35.27 (b) "Broadband" or "broadband service" has the meaning given in section 116J.39,
 35.28 subdivision 1, paragraph (b).

35.29 (c) "Broadband infrastructure" means networks of deployed telecommunications
 35.30 equipment and technologies necessary to provide high-speed Internet access and other
 35.31 advanced telecommunications services for end users.

35.32 (d) "Commissioner" means the commissioner of employment and economic development.

36.1 (e) "Last-mile infrastructure" means broadband infrastructure that serves as the final leg
 36.2 connecting the broadband service provider's network to the end-use customer's on-premises
 36.3 telecommunications equipment.

36.4 (f) "Middle-mile infrastructure" means broadband infrastructure that links a broadband
 36.5 service provider's core network infrastructure to last-mile infrastructure.

36.6 (g) "Political subdivision" means any county, city, town, school district, special district
 36.7 or other political subdivision, or public corporation.

36.8 (h) "Underserved areas" means areas of Minnesota in which households or businesses
 36.9 lack access to wire-line or fixed wireless broadband service at speeds of at least 100 megabits
 36.10 per second download and at least 20 megabits per second upload.

36.11 (i) "Unserved areas" means areas of Minnesota in which households or businesses lack
 36.12 access to wire-line or fixed wireless broadband service, as defined in section 116J.39.

36.13 Sec. 4. Minnesota Statutes 2020, section 116J.397, is amended to read:

36.14 **116J.397 UPDATED BROADBAND DEPLOYMENT DATA AND MAPS.**

36.15 (a) ~~Beginning in 2016 and continuing each year thereafter,~~ The Office of Broadband
 36.16 Development shall contract annually with one or more independent organizations that have
 36.17 extensive experience working with Minnesota broadband providers to:

36.18 (1) collect broadband deployment data reflecting all broadband delivery technologies
 36.19 from Minnesota providers, verify its accuracy through on-the-ground testing, and create
 36.20 state and county maps available to the public ~~by April 15, 2017, and each April 15 thereafter,~~
 36.21 showing the availability of broadband service at various upload and download speeds
 36.22 throughout Minnesota;

36.23 (2) analyze the deployment data collected to help inform future investments in broadband
 36.24 infrastructure; and

36.25 (3) conduct business and residential surveys that measure broadband adoption and use
 36.26 in the state.

36.27 (b) Data provided by a broadband provider under this section is nonpublic data under
 36.28 section 13.02, subdivision 9. Maps produced under this paragraph are public data under
 36.29 section 13.03.