

HOUSE RESEARCH

Bill Summary

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Overview

House File 1547, the second engrossment, is the omnibus agricultural policy bill. It incorporates the content of a number of bills heard in the Agriculture Policy Committee.

Section

- 1 **Expiration date; committees, boards, and task forces.** Eliminates three groups from the list of those that are scheduled to expire on June 30, 2001. The groups are:
 - the feedlot and manure management advisory committee;committee;
 - the pesticide applicator education and examination review board; andand
 - the food safety advisory committee.committee.
- 2 **Ethical guidelines for farm advocates.** Deletes an obsolete reference to the date on which the commissioner must establish ethical guidelines for farm advocates.
- 3 **Value-added agricultural product processing and marketing grant program.** Amends existing language to allow groups wishing to form marketing cooperatives to also be eligible for grants, and equity in the new business can also be held by family farm corporations rather than just by individual farmers.
- 4 **Minnesota Grown; appropriations must be matched by private funds.** Expands the definition of "private contributions" to include advertising, listing fees, and sales promotion.
- 5 **Shared savings loan program.**

Subd. 1. Establishment. Slightly amends the language creating the shared savings loan program. Emphasis is given to increasing energy production by agricultural producers and improving the environment.

Subd. 2. Loan criteria. Loans are to make environmental improvements or enhance farm profitability. The limit on loans is raised from \$15,000 to \$25,000 for individuals and from \$75,000

to \$100,000 for joint projects.

Subd. 3. Awarding of loans. Removes the need for a direct cause-effect link between cost savings and the ability to repay a loan. Emphasizes overall farm profitability and environmental benefits. Loan priority will no longer be ranked on the basis of cost savings for each practice.

Subd. 4. Administration; information dissemination. No change in this subdivision.

Subd. 5. Farm manure digester technology. Adds a new subdivision codifying the grant program in a 1998 appropriation for manure digester technology.

6 Sustainable agriculture demonstration grants.

Subd. 1. Establishment. Broadens the charge for the grant program to include enterprise diversification including new crops and livestock. Drops the provision that energy production be targeted to on-farm use.

Subd. 2. Eligibility. Allows grants for reducing costs or improving marketing opportunities.

Subd. 3. Awarding of grants. Requires that an agricultural marketing specialist now be included on the technical review panel that ranks grant applications.

7 Animal feedlots; pollution control; feedlot and manure management advisory committee.

Extends the expiration date of this committee from June 30, 2001, to June 30, 2004.

8 Pesticide applicator education and examination review board. Extends the expiration date of this review board from June 30, 2001, to June 30, 2004. Also, strikes obsolete language requiring a report.

9 Food safety task force. Renames the food safety advisory committee to the food safety task force. Also, extends the expiration date of this task force from June 30, 2001, to June 30, 2004.

10 Equipment. Equipment for handling and storing eggs must be capable of maintaining a temperature of 45 degrees Fahrenheit.

11 Egg temperature. Eggs held in storage must be maintained at a temperature not exceeding 45 degrees Fahrenheit.

12 Vehicle temperature. A vehicle used to transport eggs must maintain a temperature not exceeding 45 degrees Fahrenheit.

13 Uniformity with federal law; shell eggs. Updates the specific reference to federal regulations on the handling of shell eggs that the state of Minnesota adopts by reference, subject to amendment by the commissioner.

14 Dairy grade rules; manufacturing plant standards. Adopts federal regulations on grading and inspection standards as the Minnesota Rules.

15 Federal assistance; meat and poultry inspection. Removes the strict administrative cap of 50 percent of the cost of the state/federal cooperative meat and poultry inspection program.

16 Penalties. If a producer has caused the contamination of a bulk load of milk by antibiotic residue, the farm must be inspected by a representative of the processing plant and the producer to determine the cause of the contamination.

17 Rules. Corrects references to specific federal documents explaining federal dairy regulations.

18 Milk for manufacturing; quality standards. Corrects a reference to specific federal dairy regulations.

19 Minnesota grades; butter. Adopts U.S. grades for butter as Minnesota grades for purposes of the package labeling.

20 Selected class I dairy products. Corrects an erroneous reference to federal regulations.

21 Selected class II dairy products. Corrects an erroneous reference to federal regulations.

- 22 **Rural finance authority; establishment.** Allows the state auditor to designate a staff person to serve on the RFA.
- 23 **Eligibility for the restructured loan program.** Removes a requirement that an applicant for the restructured loan program must have at least a 50 percent debt to asset ratio.
- 24 **Powers of the rural finance authority.** Expands the charge to the Rural Finance Authority by allowing it to offer services and assistance to other governmental units to maximize the use of ethanol and other agricultural liquid fuels.
- 25 **Loan participation.** Increases the maximum participation in an agricultural improvement loan from \$100,000 to \$125,000.
- 26 **Specifications; agricultural improvement loan program.** Removes the provision in current law prohibiting the agricultural improvement loan program from refinancing an existing debt.
- 27 **Establishment; value-added agricultural product loan program.** Allows the option for a loan from this program to be made to a group that already owns and operates an agricultural product processing facility.
- 28 **Agricultural land definition.** Adds language to the existing definition to specify that planted native or introduced grassland or hay land and land planted to short rotation woody crops is agricultural land.
- 29 **Definitions.** Defines "farm tractor" and "person" for purposes of clock-hour meter tampering.
- 30 **Clock-hour meters; prohibited acts.** Prohibits (1) with intent to defraud the tampering, setting back, adjusting, changing, or disconnection of a meter, or (2) with intent to defraud, failing to connect a meter or (3) causing any of the above, so as to reflect fewer hours than a tractor has actually been in operation.
- Prohibits operation of a farm tractor knowing the clock-hour meter is disconnected or nonfunctional if the intent is to defraud.
- Prohibits advertising the sale, use or installation of a device to cause a clock-hour meter to register anything other than the true hours of operation of a tractor.
- Prohibits selling or offering to sell a farm tractor with knowledge that the hours recorded have been altered unless the fact of alteration is disclosed to the prospective buyer.
- 31 **Penalties; remedies.** A violation of section 30 is a gross misdemeanor. A violation is also subject to civil enforcement by the attorney general like other consumer protection laws. A person injured by a violation of section 30 may bring a private action for actual damages, costs, and attorney fees. Lets the court increase the damage award to \$1,500 or three times the actual damages sustained, whichever is greater.
- 32 **Coyote conflict management option.** Allows a county board to offer a bounty for the destruction of coyotes in part or all of the county.
- 33 **Suspension of rule; use of live virus on poultry.** Suspends for 17 months a Minnesota rule prohibiting the use of "active or infective agent(s)" so that such a live virus vaccine can be used to combat the avian pneumovirus disease.
- 34 **Repealer; obsolete agriculture sections.** Repeals a broad range of obsolete or unnecessary sections of agriculture department and agriculture policy statute.
- 35 **Effective date.** Sets the effective date for various sections of the bill.