

1.1 moves to amend H.F. No. 895 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 **"ARTICLE 1**

1.4 **AGRICULTURE APPROPRIATIONS**

1.5 Section 1. **AGRICULTURE APPROPRIATIONS.**

1.6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
1.7 and for the purposes specified in this article. The appropriations are from the general fund,
1.8 or another named fund, and are available for the fiscal years indicated for each purpose.

1.9 The figures "2018" and "2019" used in this article mean that the appropriations listed under
1.10 them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively.

1.11 "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium"
1.12 is fiscal years 2018 and 2019.

1.13		<u>APPROPRIATIONS</u>
1.14		<u>Available for the Year</u>
1.15		<u>Ending June 30</u>
1.16		<u>2018</u> <u>2019</u>

1.17 Sec. 2. **DEPARTMENT OF AGRICULTURE**

1.18 **Subdivision 1. Total Appropriation** \$ **48,056,000** \$ **47,910,000**

1.19 **Appropriations by Fund**

1.20		<u>2018</u>	<u>2019</u>
1.21	<u>General</u>	<u>47,663,000</u>	<u>47,513,000</u>
1.22	<u>Remediation</u>	<u>393,000</u>	<u>397,000</u>

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

2.1	<u>Subd. 2. Protection Services</u>	<u>17,471,000</u>	<u>17,475,000</u>
2.2	<u>Appropriations by Fund</u>		
2.3	<u>2018</u>	<u>2019</u>	
2.4	<u>General</u>	<u>17,078,000</u>	<u>17,078,000</u>
2.5	<u>Remediation</u>	<u>393,000</u>	<u>397,000</u>
2.6	<u>\$250,000 the first year and \$250,000 the</u>		
2.7	<u>second year are for transfer to the pollinator</u>		
2.8	<u>habitat and research account in the agricultural</u>		
2.9	<u>fund. These are onetime transfers.</u>		
2.10	<u>\$300,000 the first year and \$300,000 the</u>		
2.11	<u>second year are for transfer to the noxious</u>		
2.12	<u>weed and invasive plant species assistance</u>		
2.13	<u>account in the agricultural fund to award</u>		
2.14	<u>grants to local units of government under</u>		
2.15	<u>Minnesota Statutes, section 18.90, with</u>		
2.16	<u>preference given to local units of government</u>		
2.17	<u>responding to Palmer amaranth or other weeds</u>		
2.18	<u>on the eradicate list. These are onetime</u>		
2.19	<u>transfers.</u>		
2.20	<u>\$125,000 the first year and \$125,000 the</u>		
2.21	<u>second year are for the industrial hemp pilot</u>		
2.22	<u>program under Minnesota Statutes, section</u>		
2.23	<u>18K.09. These are onetime appropriations.</u>		
2.24	<u>\$250,000 the first year and \$250,000 the</u>		
2.25	<u>second year are to expand current capabilities</u>		
2.26	<u>for rapid detection, identification, containment,</u>		
2.27	<u>control, and management of high priority plant</u>		
2.28	<u>pests and pathogens. These are onetime</u>		
2.29	<u>appropriations.</u>		
2.30	<u>\$25,000 the first year and \$25,000 the second</u>		
2.31	<u>year are to develop and maintain cottage food</u>		
2.32	<u>license exemption outreach and training</u>		
2.33	<u>materials.</u>		

3.1 \$75,000 the first year and \$75,000 the second
3.2 year are to coordinate the correctional facility
3.3 vocational training pilot program and to assist
3.4 entities that have explored the feasibility of
3.5 establishing a USDA-certified or state "equal
3.6 to" food processing facility within 30 miles
3.7 of the Northeast Regional Corrections Center.

3.8 \$393,000 the first year and \$397,000 the
3.9 second year are from the remediation fund for
3.10 administrative funding for the voluntary
3.11 cleanup program.

3.12 \$175,000 the first year and \$175,000 the
3.13 second year are for compensation for
3.14 destroyed or crippled livestock under
3.15 Minnesota Statutes, section 3.737. This
3.16 appropriation may be spent to compensate for
3.17 livestock that were destroyed or crippled
3.18 during fiscal year 2017. If the amount in the
3.19 first year is insufficient, the amount in the
3.20 second year is available in the first year.

3.21 \$125,000 the first year and \$125,000 the
3.22 second year are for compensation for crop
3.23 damage under Minnesota Statutes, section
3.24 3.7371. If the amount in the first year is
3.25 insufficient, the amount in the second year is
3.26 available in the first year. The commissioner
3.27 may use up to \$30,000 of the appropriation
3.28 each year to reimburse expenses incurred by
3.29 the commissioner or the commissioner's
3.30 approved agent to investigate and resolve
3.31 claims.

3.32 If the commissioner determines that claims
3.33 made under Minnesota Statutes, section 3.737
3.34 or 3.7371, are unusually high, amounts
3.35 appropriated for either program may be

4.1 transferred to the appropriation for the other
4.2 program.

4.3 \$70,000 the first year and \$70,000 the second
4.4 year are for additional cannery inspections.

4.5 \$100,000 the first year and \$100,000 the
4.6 second year are for increased oversight of
4.7 delegated local health boards.

4.8 \$100,000 the first year and \$100,000 the
4.9 second year are to decrease the turnaround
4.10 time for retail food handler plan reviews.

4.11 \$1,024,000 the first year and \$1,024,000 the
4.12 second year are to streamline the retail food
4.13 safety regulatory and licensing experience for
4.14 regulated businesses and to decrease the
4.15 inspection delinquency rate.

4.16 **Subd. 3. Agricultural Marketing and**
4.17 **Development**

3,996,000

3,996,000

4.18 The commissioner must provide outreach to
4.19 urban farmers regarding the department's
4.20 financial and technical assistance programs
4.21 and must assist urban farmers in applying for
4.22 assistance.

4.23 \$186,000 the first year and \$186,000 the
4.24 second year are for transfer to the Minnesota
4.25 grown account and may be used as grants for
4.26 Minnesota grown promotion under Minnesota
4.27 Statutes, section 17.102. Grants may be made
4.28 for one year. Notwithstanding Minnesota
4.29 Statutes, section 16A.28, the appropriations
4.30 encumbered under contract on or before June
4.31 30, 2019, for Minnesota grown grants in this
4.32 paragraph are available until June 30, 2021.

4.33 \$634,000 the first year and \$634,000 the
4.34 second year are for continuation of the dairy

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

5.24 The commissioner may use funds appropriated
 5.25 in this subdivision for annual cost-share
 5.26 payments to resident farmers or entities that
 5.27 sell, process, or package agricultural products
 5.28 in this state for the costs of organic
 5.29 certification. The commissioner may allocate
 5.30 these funds for assistance for persons
 5.31 transitioning from conventional to organic
 5.32 agriculture.

5.33 **Subd. 4. Agriculture, Bioenergy, and Bioproduct**
 5.34 **Advancement**

18,989,000

18,989,000

5.35 \$9,300,000 the first year and \$9,300,000 the
 5.36 second year are for transfer to the agriculture

6.1 research, education, extension, and technology
6.2 transfer account under Minnesota Statutes,
6.3 section 41A.14, subdivision 3. Of these
6.4 amounts: at least \$600,000 the first year and
6.5 \$600,000 the second year are for the
6.6 Minnesota Agricultural Experiment Station's
6.7 agriculture rapid response fund under
6.8 Minnesota Statutes, section 41A.14,
6.9 subdivision 1, clause (2); \$2,000,000 the first
6.10 year and \$2,000,000 the second year are for
6.11 grants to the Minnesota Agriculture Education
6.12 Leadership Council to enhance agricultural
6.13 education with priority given to Farm Business
6.14 Management challenge grants; up to \$350,000
6.15 the first year and up to \$350,000 the second
6.16 year are for potato breeding; and up to
6.17 \$350,000 the first year and up to \$350,000 the
6.18 second year are for the cultivated wild rice
6.19 breeding project at the North Central Research
6.20 and Outreach Center to include a tenure
6.21 track/research associate plant breeder. The
6.22 commissioner shall transfer the remaining
6.23 funds in this appropriation each year to the
6.24 Board of Regents of the University of
6.25 Minnesota for purposes of Minnesota Statutes,
6.26 section 41A.14. Of the amount transferred to
6.27 the Board of Regents, up to \$1,000,000 the
6.28 first year and up to \$1,000,000 the second year
6.29 are for research to determine:
6.30 (1) what is causing avian influenza;
6.31 (2) why some fowl are more susceptible; and
6.32 (3) prevention measures that can be taken.
6.33 To the extent practicable, funds expended
6.34 under Minnesota Statutes, section 41A.14,
6.35 subdivision 1, clauses (1) and (2), must

7.1 supplement and not supplant existing sources
7.2 and levels of funding. The commissioner may
7.3 use up to one percent of this appropriation for
7.4 costs incurred to administer the program.

7.5 \$9,664,000 the first year and \$9,664,000 the
7.6 second year are for the agricultural growth,
7.7 research, and innovation program in
7.8 Minnesota Statutes, section 41A.12. Except
7.9 as provided below, the commissioner may
7.10 allocate the appropriation each year among
7.11 the following areas: facilitating the start-up,
7.12 modernization, or expansion of livestock
7.13 operations including beginning and
7.14 transitioning livestock operations; developing
7.15 new markets for Minnesota farmers by
7.16 providing more fruits, vegetables, meat, grain,
7.17 and dairy for Minnesota school children;
7.18 assisting value-added agricultural businesses
7.19 to begin or expand, access new markets, or
7.20 diversify; developing urban agriculture;
7.21 facilitating the start-up, modernization, or
7.22 expansion of other beginning and transitioning
7.23 farms including by providing loans under
7.24 Minnesota Statutes, section 41B.056;
7.25 sustainable agriculture on-farm research and
7.26 demonstration; development or expansion of
7.27 food hubs and other alternative
7.28 community-based food distribution systems;
7.29 enhancing renewable energy infrastructure
7.30 and use; crop research; Farm Business
7.31 Management tuition assistance; good
7.32 agricultural practices/good handling practices
7.33 certification assistance; establishing and
7.34 supporting farmer-led water management
7.35 councils; and implementing farmer-led water
7.36 quality improvement practices. The

8.1 commissioner may use up to four percent of
8.2 this appropriation for costs incurred to
8.3 administer the program. Any unencumbered
8.4 balance does not cancel at the end of the first
8.5 year and is available for the second year.
8.6 Notwithstanding Minnesota Statutes, section
8.7 16A.28, appropriations encumbered under
8.8 contract on or before June 30, 2019, for
8.9 agricultural growth, research, and innovation
8.10 grants are available until June 30, 2022. The
8.11 base for fiscal year 2020 is \$10,068,000 and
8.12 the base for fiscal year 2021 is \$10,068,000.

8.13 Of the amount appropriated for the agricultural
8.14 growth, research, and innovation program in
8.15 this subdivision, \$1,000,000 the first year and
8.16 \$1,000,000 the second year are for distribution
8.17 in equal amounts to each of the state's county
8.18 fairs to preserve and promote Minnesota
8.19 agriculture.

8.20 Of the amount appropriated for the agricultural
8.21 growth, research, and innovation program in
8.22 this subdivision, \$1,500,000 the first year and
8.23 \$1,500,000 the second year are for incentive
8.24 payments under Minnesota Statutes, sections
8.25 41A.16, 41A.17, and 41A.18. Notwithstanding
8.26 Minnesota Statutes, section 16A.28, the first
8.27 year appropriation is available until June 30,
8.28 2019, and the second year appropriation is
8.29 available until June 30, 2020.

8.30 Of the amount appropriated for the agricultural
8.31 growth, research, and innovation program in
8.32 this subdivision, \$500,000 the first year is for
8.33 a grant to the Board of Trustees of the
8.34 Minnesota State Colleges and Universities to

9.1 renovate the GROW-IT Center at Metropolitan
 9.2 State University.

9.3 Of the amount appropriated for the agricultural
 9.4 growth, research, and innovation program in
 9.5 this subdivision, up to \$500,000 the first year
 9.6 and up to \$500,000 the second year are to
 9.7 develop and expand urban agriculture.

9.8 Of the amount appropriated for the agricultural
 9.9 growth, research, and innovation program in
 9.10 this subdivision, up to \$250,000 the first year
 9.11 and up to \$250,000 the second year are for
 9.12 transfer to the good food access account in the
 9.13 agricultural fund for the good food access
 9.14 program.

9.15 Of the amount appropriated for the agricultural
 9.16 growth, research, and innovation program in
 9.17 this subdivision, up to \$40,000 the first year
 9.18 and up to \$40,000 the second year are to
 9.19 expand the farm advocates program by
 9.20 supplementing the base farm advocates
 9.21 appropriation in subdivision 5.

9.22 \$25,000 the first year and \$25,000 the second
 9.23 year are for grants to the Southern Minnesota
 9.24 Initiative Foundation to promote local foods
 9.25 through an annual event that raises public
 9.26 awareness of local foods and connects local
 9.27 food producers and processors with potential
 9.28 buyers.

9.29 **Subd. 5. Administration and Financial Assistance** 7,600,000 7,450,000

9.30 \$150,000 the first year is for the tractor
 9.31 rollover protection pilot program under
 9.32 Minnesota Statutes, section 17.119, and is
 9.33 available until June 30, 2019.

10.1 \$180,000 the first year and \$180,000 the
10.2 second year are for the farm advocates
10.3 program.

10.4 \$474,000 the first year and \$474,000 the
10.5 second year are for payments to county and
10.6 district agricultural societies and associations
10.7 under Minnesota Statutes, section 38.02,
10.8 subdivision 1. Aid payments to county and
10.9 district agricultural societies and associations
10.10 shall be disbursed no later than July 15 of each
10.11 year. These payments are the amount of aid
10.12 from the state for an annual fair held in the
10.13 previous calendar year.

10.14 \$1,000 the first year and \$1,000 the second
10.15 year are for grants to the Minnesota State
10.16 Poultry Association.

10.17 \$18,000 the first year and \$18,000 the second
10.18 year are for grants to the Minnesota Livestock
10.19 Breeders Association.

10.20 \$47,000 the first year and \$47,000 the second
10.21 year are for the Northern Crops Institute.
10.22 These appropriations may be spent to purchase
10.23 equipment.

10.24 \$17,000 the first year and \$17,000 the second
10.25 year are for grants to the Minnesota
10.26 Horticultural Society.

10.27 \$108,000 the first year and \$108,000 the
10.28 second year are for annual grants to the
10.29 Minnesota Turf Seed Council for basic and
10.30 applied research on: (1) the improved
10.31 production of forage and turf seed related to
10.32 new and improved varieties; and (2) native
10.33 plants, including plant breeding, nutrient
10.34 management, pest management, disease

11.1 management, yield, and viability. The grant
11.2 recipient may subcontract with a qualified
11.3 third party for some or all of the basic or
11.4 applied research. Any unencumbered balance
11.5 does not cancel at the end of the first year and
11.6 is available for the second year.

11.7 \$113,000 the first year and \$113,000 the
11.8 second year are for transfer to the Board of
11.9 Trustees of the Minnesota State Colleges and
11.10 Universities for statewide mental health
11.11 counseling support to farm families and
11.12 business operators. South Central College shall
11.13 serve as the fiscal agent.

11.14 \$550,000 the first year and \$550,000 the
11.15 second year are for grants to Second Harvest
11.16 Heartland on behalf of Minnesota's six
11.17 Feeding America food banks for the purchase
11.18 of milk for distribution to Minnesota's food
11.19 shelves and other charitable organizations that
11.20 are eligible to receive food from the food
11.21 banks. Milk purchased under the grants must
11.22 be acquired from Minnesota milk processors
11.23 and based on low-cost bids. The milk must be
11.24 allocated to each Feeding America food bank
11.25 servicing Minnesota according to the formula
11.26 used in the distribution of United States
11.27 Department of Agriculture commodities under
11.28 The Emergency Food Assistance Program
11.29 (TEFAP). Second Harvest Heartland must
11.30 submit quarterly reports to the commissioner
11.31 on forms prescribed by the commissioner. The
11.32 reports must include, but are not limited to,
11.33 information on the expenditure of funds, the
11.34 amount of milk purchased, and the
11.35 organizations to which the milk was

12.1 distributed. Second Harvest Heartland may
12.2 enter into contracts or agreements with food
12.3 banks for shared funding or reimbursement of
12.4 the direct purchase of milk. Each food bank
12.5 receiving money from this appropriation may
12.6 use up to two percent of the grant for
12.7 administrative expenses. Any unencumbered
12.8 balance does not cancel at the end of the first
12.9 year and is available for the second year.

12.10 \$1,100,000 the first year and \$1,100,000 the
12.11 second year are for grants to Second Harvest
12.12 Heartland on behalf of the six Feeding
12.13 America food banks that serve Minnesota to
12.14 compensate agricultural producers and
12.15 processors for costs incurred to harvest and
12.16 package for transfer surplus fruits, vegetables,
12.17 and other agricultural commodities that would
12.18 otherwise go unharvested, be discarded, or
12.19 sold in a secondary market. Surplus
12.20 commodities must be distributed statewide to
12.21 food shelves and other charitable organizations
12.22 that are eligible to receive food from the food
12.23 banks. Surplus food acquired under this
12.24 appropriation must be from Minnesota
12.25 producers and processors. Second Harvest
12.26 Heartland must report in the form prescribed
12.27 by the commissioner. Second Harvest
12.28 Heartland may use up to 15 percent of each
12.29 grant for matching administrative and
12.30 transportation expenses. Any unencumbered
12.31 balance does not cancel at the end of the first
12.32 year and is available for the second year.

12.33 \$150,000 the first year and \$150,000 the
12.34 second year are for grants to the Center for
12.35 Rural Policy and Development.

13.1 \$235,000 the first year and \$235,000 the
 13.2 second year are for grants to the Minnesota
 13.3 Agricultural Education and Leadership
 13.4 Council for programs of the council under
 13.5 Minnesota Statutes, chapter 41D.

13.6 \$600,000 the first year and \$600,000 the
 13.7 second year are for grants to the Board of
 13.8 Regents of the University of Minnesota to
 13.9 develop, in consultation with the
 13.10 commissioner of agriculture and the Board of
 13.11 Animal Health, a software tool or application
 13.12 through the Veterinary Diagnostic Laboratory
 13.13 that empowers veterinarians and producers to
 13.14 understand the movement of unique pathogen
 13.15 strains in livestock and poultry production
 13.16 systems, monitor antibiotic resistance, and
 13.17 implement effective biosecurity measures that
 13.18 promote animal health and limit production
 13.19 losses. The base for fiscal year 2020 is \$0.

13.20 Sec. 3. **BOARD OF ANIMAL HEALTH** \$ 5,443,000 \$ 5,491,000

13.21 Sec. 4. **AGRICULTURAL UTILIZATION**
 13.22 **RESEARCH INSTITUTE** \$ 3,643,000 \$ 3,643,000

13.23 **ARTICLE 2**

13.24 **AGRICULTURAL POLICY**

13.25 Section 1. Minnesota Statutes 2016, section 3.7371, is amended to read:

13.26 **3.7371 COMPENSATION FOR CROP OR FENCE DAMAGE CAUSED BY ELK.**

13.27 Subdivision 1. **Authorization.** Notwithstanding section 3.736, subdivision 3, paragraph
 13.28 (e), or any other law, a person who owns an agricultural crop or pasture shall be compensated
 13.29 by the commissioner of agriculture for an agricultural crop, or fence surrounding the crop
 13.30 or pasture, that is damaged or destroyed by elk as provided in this section.

13.31 Subd. 2. **Claim form.** The ~~crop or pasture~~ owner must prepare a claim on forms provided
 13.32 by the commissioner and available at on the county extension agent's office Department of

14.1 Agriculture's Web site or by request from the commissioner. The claim form must be filed
14.2 with the commissioner.

14.3 Subd. 3. **Compensation.** (a) The crop owner is entitled to the target price or the market
14.4 price, whichever is greater, of the damaged or destroyed crop plus adjustments for yield
14.5 loss determined according to agricultural stabilization and conservation service programs
14.6 for individual farms, adjusted annually, as determined by the commissioner, upon
14.7 recommendation of the ~~county extension~~ commissioner's approved agent for the owner's
14.8 county. Verification of fence damage or destruction by elk may be provided by submitting
14.9 photographs or other evidence and documentation together with a statement from an
14.10 independent witness using forms prescribed by the commissioner. The commissioner, upon
14.11 recommendation of the commissioner's approved agent, shall determine whether the crop
14.12 damage or destruction or damage to or destruction of a fence surrounding a crop or pasture
14.13 is caused by elk and, if so, the amount of the crop or fence that is damaged or destroyed. In
14.14 any fiscal year, an owner may not be compensated for a damaged or destroyed crop or fence
14.15 surrounding a crop or pasture that is less than \$100 in value and may be compensated up
14.16 to \$20,000, as determined under this section, if normal harvest procedures for the area are
14.17 followed.

14.18 (b) In any fiscal year, the commissioner may provide compensation for claims filed
14.19 under this section up to the amount expressly appropriated for this purpose.

14.20 Subd. 4. **Insurance deduction.** Payments authorized by this section must be reduced
14.21 by amounts received by the owner as proceeds from an insurance policy covering crop
14.22 losses or damage to or destruction of a fence surrounding a crop or pasture, or from any
14.23 other source for the same purpose including, but not limited to, a federal program.

14.24 Subd. 5. **Decision on claims; opening land to hunting.** If the commissioner finds that
14.25 the ~~crop or pasture~~ owner has shown that the damage or destruction of the owner's crop or
14.26 damage to or destruction of a fence surrounding a crop or pasture was caused more probably
14.27 than not by elk, the commissioner shall pay compensation as provided in this section and
14.28 the rules of the commissioner. ~~A crop~~ An owner who receives compensation under this
14.29 section may, by written permission, permit hunting on the land at the landowner's discretion.

14.30 Subd. 6. **Denial of claim; appeal.** (a) If the commissioner denies compensation claimed
14.31 by a ~~crop or pasture~~ an owner under this section, the commissioner shall issue a written
14.32 decision based upon the available evidence including a statement of the facts upon which
14.33 the decision is based and the conclusions on the material issues of the claim. A copy of the
14.34 decision must be mailed to the ~~crop or pasture~~ owner.

15.1 (b) A decision denying compensation claimed under this section is not subject to the
15.2 contested case review procedures of chapter 14, but ~~a crop or pasture~~ an owner may have
15.3 the claim reviewed in a trial de novo in a court in the county where the loss occurred. The
15.4 decision of the court may be appealed as in other civil cases. Review in court may be obtained
15.5 by filing a petition for review with the administrator of the court within 60 days following
15.6 receipt of a decision under this section. Upon the filing of a petition, the administrator shall
15.7 mail a copy to the commissioner and set a time for hearing within 90 days after the filing.

15.8 Subd. 7. **Rules.** The commissioner shall adopt rules and may amend rules to carry out
15.9 this section. The commissioner may use the expedited rulemaking process in section 14.389
15.10 to adopt and amend rules authorized in this section. The rules must include:

15.11 (1) methods of valuation of crops damaged or destroyed;

15.12 (2) criteria for determination of the cause of the crop damage or destruction;

15.13 (3) notice requirements by the owner of the damaged or destroyed crop;

15.14 (4) compensation rates for fence damage or destruction that ~~shall include a minimum~~
15.15 ~~claim of \$75.00 per incident and a maximum of~~ must not exceed \$1,800 per claimant per
15.16 fiscal year; and

15.17 (5) any other matters determined necessary by the commissioner to carry out this section.

15.18 Subd. 8. **Report.** The commissioner must submit a report to the chairs of the house of
15.19 representatives and senate committees and divisions with jurisdiction over agriculture and
15.20 environment and natural resources by December 15 each year that details the total amount
15.21 of damages paid, by elk herd, in the previous two fiscal years.

15.22 Sec. 2. Minnesota Statutes 2016, section 17.119, subdivision 1, is amended to read:

15.23 Subdivision 1. **Grants; eligibility.** (a) The commissioner must award ~~cost-share~~ grants
15.24 to Minnesota farmers who retrofit eligible tractors and Minnesota schools that retrofit eligible
15.25 tractors with eligible rollover protective structures.

15.26 (b) Grants for farmers are limited to 70 percent of the farmer's ~~or school's~~ documented
15.27 cost to purchase, ship, and install an eligible rollover protective structure. The commissioner
15.28 must increase ~~the~~ a farmer's grant award amount over the 70 percent grant limitation
15.29 requirement if necessary to limit a farmer's ~~or school's~~ cost per tractor to no more than \$500.

15.30 (c) Schools are eligible for grants that cover the full amount of a school's documented
15.31 cost to purchase, ship, and install an eligible rollover protective structure.

16.1 ~~(b)~~ (d) A rollover protective structure is eligible if it ~~meets or exceeds SAE International~~
16.2 ~~standard J2194~~ is certified to appropriate national or international rollover protection structure
16.3 standards with a seat belt.

16.4 ~~(e)~~ (e) A tractor is eligible if the tractor was built before 1987.

16.5 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2016.

16.6 Sec. 3. Minnesota Statutes 2016, section 17.119, subdivision 2, is amended to read:

16.7 Subd. 2. **Promotion; administration.** The commissioner may spend up to ~~20~~ six percent
16.8 of total program dollars each fiscal year to promote and administer the program to Minnesota
16.9 farmers and schools.

16.10 Sec. 4. Minnesota Statutes 2016, section 18.79, subdivision 18, is amended to read:

16.11 Subd. 18. **Noxious weed education and notification.** (a) The commissioner shall
16.12 disseminate information and conduct educational campaigns with respect to control of
16.13 noxious weeds or invasive plants to enhance regulatory compliance and voluntary efforts
16.14 to eliminate or manage these plants. The commissioner shall call and attend meetings and
16.15 conferences dealing with the subject of noxious weeds. The commissioner shall maintain
16.16 on the department's Web site noxious weed management information including but not
16.17 limited to the roles and responsibilities of citizens and government entities under sections
16.18 18.76 to 18.91 and specific guidance as to whom a person should contact to report a noxious
16.19 weed issue.

16.20 (b) The commissioner shall post notice on the Department of Agriculture's Web site and
16.21 alert appropriate media outlets when a weed on the eradicate list is confirmed for the first
16.22 time in a county.

16.23 Sec. 5. **[18B.051] POLLINATOR HABITAT AND RESEARCH ACCOUNT.**

16.24 A pollinator habitat and research account is established in the agricultural fund. Money
16.25 in the account, including interest, is transferred to the Board of Regents of the University
16.26 of Minnesota for pollinator research and outreach including, but not limited to, science-based
16.27 best practices and the identification and establishment of habitat beneficial to pollinators.

16.28 Sec. 6. Minnesota Statutes 2016, section 28A.081, is amended to read:

16.29 **28A.081 CERTIFICATE FEES.**

17.1 Subdivision 1. Fee. A fee of ~~\$75~~ \$125 for each certificate shall be charged to ~~all food~~
 17.2 ~~establishments that request certificates~~ any person who requests a certificate issued by the
 17.3 Minnesota Department of Agriculture to facilitate the movement of Minnesota processed
 17.4 and manufactured foods destined for export from the state of Minnesota. Certificates include,
 17.5 but are not limited to, a certificate of free sale, certificate of export, certificate of sanitation,
 17.6 sanitary certificate, certificate of origin and/or free sale, certificate of health and/or free
 17.7 sale, sanitation, and purity, certificate of free trade, certificate of free sale, sanitation, purity,
 17.8 and origin, certificate of health, sanitation, purity, and free sale, and letter of plant
 17.9 certification.

17.10 The commissioner shall bill ~~a food establishment~~ the requesting person within seven
 17.11 days after issuing a certificate to the ~~establishment~~ person. The ~~operator of the food~~
 17.12 ~~establishment~~ requesting person must submit payment for a certificate within ten days of
 17.13 the billing date. If a certificate fee payment is not received within 15 days of the billing
 17.14 date, the commissioner may not issue any future certificates to the requesting person until
 17.15 previous fees due are paid in full. Fees paid under this section must be deposited in the food
 17.16 certificate account established under subdivision 2 or another account in the agricultural
 17.17 fund if the expenses for the certificate will be paid from that other account.

17.18 Subd. 2. Food certificate account; appropriation. A food certificate account is
 17.19 established in the agricultural fund. Money in the account, including interest, is appropriated
 17.20 to the commissioner for expenses relating to certifying Minnesota processed and
 17.21 manufactured foods under chapters 28 to 34A or rules adopted under one of those chapters.

17.22 Sec. 7. Minnesota Statutes 2016, section 41A.12, subdivision 3, is amended to read:

17.23 Subd. 3. **Oversight.** The commissioner, ~~in consultation with the chairs and ranking~~
 17.24 ~~minority members of the house of representatives and senate committees with jurisdiction~~
 17.25 ~~over agriculture finance,~~ must allocate available appropriated funds among eligible uses as
 17.26 provided by law, develop competitive eligibility criteria, and award funds on a needs basis.
 17.27 By February 1 each year, the commissioner shall report to the legislature ~~on the allocation~~
 17.28 ~~among eligible uses and any financial assistance provided~~ the outcomes achieved under
 17.29 this section.

17.30 Sec. 8. Laws 2015, First Special Session chapter 4, article 1, section 2, subdivision 4, as
 17.31 amended by Laws 2016, chapter 189, article 2, section 26, is amended to read:

17.32	Subd. 4. Agriculture, Bioenergy, and Bioproduct		19,010,000
17.33	Advancement	14,993,000	<u>18,316,000</u>

18.1 \$4,483,000 the first year and \$8,500,000 the
18.2 second year are for transfer to the agriculture
18.3 research, education, extension, and technology
18.4 transfer account under Minnesota Statutes,
18.5 section 41A.14, subdivision 3. The transfer in
18.6 this paragraph includes money for plant
18.7 breeders at the University of Minnesota for
18.8 wild rice, potatoes, and grapes. Of these
18.9 amounts, at least \$600,000 each year is for the
18.10 Minnesota Agricultural Experiment Station's
18.11 Agriculture Rapid Response Fund under
18.12 Minnesota Statutes, section 41A.14,
18.13 subdivision 1, clause (2). Of the amount
18.14 appropriated in this paragraph, \$1,000,000
18.15 each year is for transfer to the Board of
18.16 Regents of the University of Minnesota for
18.17 research to determine (1) what is causing avian
18.18 influenza, (2) why some fowl are more
18.19 susceptible, and (3) prevention measures that
18.20 can be taken. Of the amount appropriated in
18.21 this paragraph, \$2,000,000 each year is for
18.22 grants to the Minnesota Agriculture Education
18.23 Leadership Council to enhance agricultural
18.24 education with priority given to Farm Business
18.25 Management challenge grants. The
18.26 commissioner shall transfer the remaining
18.27 grant funds in this appropriation each year to
18.28 the Board of Regents of the University of
18.29 Minnesota for purposes of Minnesota Statutes,
18.30 section 41A.14.

18.31 To the extent practicable, funds expended
18.32 under Minnesota Statutes, section 41A.14,
18.33 subdivision 1, clauses (1) and (2), must
18.34 supplement and not supplant existing sources
18.35 and levels of funding. The commissioner may
18.36 use up to 4.5 percent of this appropriation for

19.1 costs incurred to administer the program. Any
19.2 unencumbered balance does not cancel at the
19.3 end of the first year and is available for the
19.4 second year.

19.5 ~~\$10,235,000~~ the first year and ~~\$10,235,000~~
19.6 \$9,541,000 the second year are for the
19.7 agricultural growth, research, and innovation
19.8 program in Minnesota Statutes, section
19.9 41A.12. No later than February 1, 2016, and
19.10 February 1, 2017, the commissioner must
19.11 report to the legislative committees with
19.12 jurisdiction over agriculture policy and finance
19.13 regarding the commissioner's
19.14 accomplishments and anticipated
19.15 accomplishments in the following areas:
19.16 facilitating the start-up, modernization, or
19.17 expansion of livestock operations including
19.18 beginning and transitioning livestock
19.19 operations; developing new markets for
19.20 Minnesota farmers by providing more fruits,
19.21 vegetables, meat, grain, and dairy for
19.22 Minnesota school children; assisting
19.23 value-added agricultural businesses to begin
19.24 or expand, access new markets, or diversify
19.25 products; developing urban agriculture;
19.26 facilitating the start-up, modernization, or
19.27 expansion of other beginning and transitioning
19.28 farms including loans under Minnesota
19.29 Statutes, section 41B.056; sustainable
19.30 agriculture on farm research and
19.31 demonstration; development or expansion of
19.32 food hubs and other alternative
19.33 community-based food distribution systems;
19.34 incentive payments under Minnesota Statutes,
19.35 sections 41A.16, 41A.17, and 41A.18; and
19.36 research on bioenergy, biobased content, or

20.1 biobased formulated products and other
20.2 renewable energy development. The
20.3 commissioner may use up to 4.5 percent of
20.4 this appropriation for costs incurred to
20.5 administer the program. Any unencumbered
20.6 balance does not cancel at the end of the first
20.7 year and is available for the second year.
20.8 Notwithstanding Minnesota Statutes, section
20.9 16A.28, the appropriations encumbered under
20.10 contract on or before June 30, 2017, for
20.11 agricultural growth, research, and innovation
20.12 grants are available until June 30, 2019.

20.13 The commissioner may use funds appropriated
20.14 for the agricultural growth, research, and
20.15 innovation program as provided in this
20.16 paragraph. The commissioner may award
20.17 grants to owners of Minnesota facilities
20.18 producing bioenergy, biobased content, or a
20.19 biobased formulated product; to organizations
20.20 that provide for on-station, on-farm field scale
20.21 research and outreach to develop and test the
20.22 agronomic and economic requirements of
20.23 diverse strands of prairie plants and other
20.24 perennials for bioenergy systems; or to certain
20.25 nongovernmental entities. For the purposes of
20.26 this paragraph, "bioenergy" includes
20.27 transportation fuels derived from cellulosic
20.28 material, as well as the generation of energy
20.29 for commercial heat, industrial process heat,
20.30 or electrical power from cellulosic materials
20.31 via gasification or other processes. Grants are
20.32 limited to 50 percent of the cost of research,
20.33 technical assistance, or equipment related to
20.34 bioenergy, biobased content, or biobased
20.35 formulated product production or \$500,000,
20.36 whichever is less. Grants to nongovernmental

21.1 entities for the development of business plans
21.2 and structures related to community ownership
21.3 of eligible bioenergy facilities together may
21.4 not exceed \$150,000. The commissioner shall
21.5 make a good-faith effort to select projects that
21.6 have merit and, when taken together, represent
21.7 a variety of bioenergy technologies, biomass
21.8 feedstocks, and geographic regions of the
21.9 state. Projects must have a qualified engineer
21.10 provide certification on the technology and
21.11 fuel source. Grantees must provide reports at
21.12 the request of the commissioner.

21.13 Of the amount appropriated for the agricultural
21.14 growth, research, and innovation program in
21.15 this subdivision, \$1,000,000 the first year and
21.16 \$1,000,000 the second year are for distribution
21.17 in equal amounts to each of the state's county
21.18 fairs to preserve and promote Minnesota
21.19 agriculture.

21.20 Of the amount appropriated for the agricultural
21.21 growth, research, and innovation program in
21.22 this subdivision, \$500,000 in fiscal year 2016
21.23 and ~~\$1,500,000~~ \$806,000 in fiscal year 2017
21.24 are for incentive payments under Minnesota
21.25 Statutes, sections 41A.16, 41A.17, and
21.26 41A.18. If the appropriation exceeds the total
21.27 amount for which all producers are eligible in
21.28 a fiscal year, the balance of the appropriation
21.29 is available to the commissioner for the
21.30 agricultural growth, research, and innovation
21.31 program. Notwithstanding Minnesota Statutes,
21.32 section 16A.28, the first year appropriation is
21.33 available until June 30, 2017, and the second
21.34 year appropriation is available until June 30,
21.35 2018. The commissioner may use up to 4.5

22.1 percent of the appropriation for administration
22.2 of the incentive payment programs.

22.3 Of the amount appropriated for the agricultural
22.4 growth, research, and innovation program in
22.5 this subdivision, \$250,000 the first year is for
22.6 grants to communities to develop or expand
22.7 food hubs and other alternative
22.8 community-based food distribution systems.

22.9 Of this amount, \$50,000 is for the
22.10 commissioner to consult with existing food
22.11 hubs, alternative community-based food
22.12 distribution systems, and University of
22.13 Minnesota Extension to identify best practices
22.14 for use by other Minnesota communities. No
22.15 later than December 15, 2015, the
22.16 commissioner must report to the legislative
22.17 committees with jurisdiction over agriculture
22.18 and health regarding the status of emerging
22.19 alternative community-based food distribution
22.20 systems in the state along with
22.21 recommendations to eliminate any barriers to
22.22 success. Any unencumbered balance does not
22.23 cancel at the end of the first year and is
22.24 available for the second year. This is a onetime
22.25 appropriation.

22.26 \$250,000 the first year and \$250,000 the
22.27 second year are for grants that enable retail
22.28 petroleum dispensers to dispense biofuels to
22.29 the public in accordance with the biofuel
22.30 replacement goals established under
22.31 Minnesota Statutes, section 239.7911. A retail
22.32 petroleum dispenser selling petroleum for use
22.33 in spark ignition engines for vehicle model
22.34 years after 2000 is eligible for grant money
22.35 under this paragraph if the retail petroleum

23.1 dispenser has no more than 15 retail petroleum
23.2 dispensing sites and each site is located in
23.3 Minnesota. The grant money received under
23.4 this paragraph must be used for the installation
23.5 of appropriate technology that uses fuel
23.6 dispensing equipment appropriate for at least
23.7 one fuel dispensing site to dispense gasoline
23.8 that is blended with 15 percent of
23.9 agriculturally derived, denatured ethanol, by
23.10 volume, and appropriate technical assistance
23.11 related to the installation. A grant award must
23.12 not exceed 85 percent of the cost of the
23.13 technical assistance and appropriate
23.14 technology, including remetering of and
23.15 retrofits for retail petroleum dispensers and
23.16 replacement of petroleum dispenser projects.
23.17 The commissioner may use up to \$35,000 of
23.18 this appropriation for administrative expenses.
23.19 The commissioner shall cooperate with biofuel
23.20 stakeholders in the implementation of the grant
23.21 program. The commissioner must report to
23.22 the legislative committees with jurisdiction
23.23 over agriculture policy and finance by
23.24 February 1 each year, detailing the number of
23.25 grants awarded under this paragraph and the
23.26 projected effect of the grant program on
23.27 meeting the biofuel replacement goals under
23.28 Minnesota Statutes, section 239.7911. These
23.29 are onetime appropriations.

23.30 \$25,000 the first year and \$25,000 the second
23.31 year are for grants to the Southern Minnesota
23.32 Initiative Foundation to promote local foods
23.33 through an annual event that raises public
23.34 awareness of local foods and connects local
23.35 food producers and processors with potential
23.36 buyers.

24.1 Sec. 9. **BASE BUDGET REPORT REQUIRED.**

24.2 No later than October 15, 2018, the commissioner of agriculture must submit a report
24.3 detailing the agency's base budget, including any prior appropriation riders, to the chairs
24.4 and ranking minority members of the legislative committees with jurisdiction over agriculture
24.5 finance.

24.6 Sec. 10. **TRANSFER REQUIRED.**

24.7 Of the amount appropriated from the general fund for transfer to the agricultural
24.8 emergency account in Laws 2016, chapter 189, article 2, section 2, the commissioner of
24.9 management and budget must transfer \$450,000 back to the general fund on July 1, 2017.
24.10 This is a onetime transfer.

24.11 Sec. 11. **APPROPRIATION CANCELLATION.**

24.12 All unspent funds, estimated to be \$694,000, appropriated for the agricultural growth,
24.13 research, and innovation program and designated for bioeconomy incentive payments under
24.14 Laws 2015, First Special Session chapter 4, article 1, section 2, subdivision 4, as amended
24.15 by Laws 2016, chapters 184 and 189, are cancelled to the general fund the day following
24.16 final enactment of this act."

24.17 Amend the title accordingly