

1.1 ..... moves to amend H.F. No. 1611 as follows:

1.2 Page 1, after line 16, insert:

1.3 "Section 1. Minnesota Statutes 2010, section 17.459, subdivision 2, is amended to read:

1.4 Subd. 2. **Agricultural pursuit.** Raising horses and other equines is agricultural  
1.5 production and an agricultural pursuit. Horse breeding farms, horse training farms, horse  
1.6 boarding farms, or farms combining those purposes, are an intensive agricultural use that  
1.7 may be accomplished on limited acreage. These intensive agricultural uses are necessary  
1.8 for horses in order to control the feeding, safety, and overall condition of the animals."

1.9 Page 13, after line 29, insert:

1.10 "Sec. 29. **[32C.01] ORGANIZATION.**

1.11 Subdivision 1. **Establishment.** The Dairy Research, Teaching, and Consumer  
1.12 Education Authority is established as a public corporation. The business of the authority  
1.13 must be conducted under the name "Dairy Research, Teaching, and Consumer Education  
1.14 Authority."

1.15 Subd. 2. **Board of directors.** The authority is governed by a board of nine directors.  
1.16 The term of a director, except as otherwise provided in this subdivision, is four years.  
1.17 The commissioner of agriculture is a member of the board. The governor shall appoint  
1.18 four members of the board. Two of the members appointed by the governor must be  
1.19 currently engaged in the business of operating a dairy. Two of the members appointed  
1.20 by the governor must be representatives of Minnesota-based businesses actively engaged  
1.21 in working with or serving Minnesota's dairy industry. The dean of the University of  
1.22 Minnesota College of Food, Agriculture and Natural Resource Sciences, or the dean's  
1.23 designee, is a member of the board. One member of the board must be a representative  
1.24 of a state trade association that represents the interests of milk producers. One member  
1.25 of the board must be a representative of the Minnesota Division of the Midwest Dairy  
1.26 Council. One member of the board must be a member of the agricultural education

2.1 faculty of the Minnesota State Colleges and Universities System. The four members of  
2.2 the initial board of directors who are appointed by the governor must be appointed for  
2.3 terms of four years, and the other four members must be appointed for an initial term of  
2.4 two years. Vacancies for the governor's appointed positions on the board must be filled by  
2.5 appointment of the governor. Vacancies for other positions on the board must be filled  
2.6 by the named represented entities. Board members must not be compensated for their  
2.7 services other than to be reimbursed for reasonable expenses incurred in connection with  
2.8 their duties as board members. This reimbursement must be reviewed annually by the  
2.9 commissioner of management and budget.

2.10 Subd. 3. **Bylaws.** The board must adopt bylaws necessary for the conduct of the  
2.11 business of the authority, consistent with this chapter.

2.12 Subd. 4. **Place of business.** The board must locate and maintain the authority's  
2.13 place of business within the state.

2.14 Subd. 5. **Chair.** The board must annually elect from among its members a chair and  
2.15 other officers necessary for the performance of its duties.

2.16 Subd. 6. **Meetings.** The board must meet at least four times each year and may hold  
2.17 additional meetings upon giving notice in accordance with the bylaws of the authority.  
2.18 Board meetings are subject to chapter 13D.

2.19 Subd. 7. **Conflict of interest.** A director, employee, or officer of the authority may  
2.20 not participate in or vote on a decision of the board relating to an organization in which  
2.21 the director has either a direct or indirect financial interest.

2.22 Subd. 8. **Economic interest statements.** Directors and officers of the authority are  
2.23 public officials for the purpose of section 10A.09, and must file statements of economic  
2.24 interest with the Campaign Finance and Public Disclosure Board.

2.25 Sec. 30. **[32C.02] POWERS.**

2.26 Subdivision 1. **General corporate powers.** (a) The authority has the powers granted  
2.27 to a business corporation by section 302A.161, subdivisions 3; 4; 5; 7; 8; 9; 11; 12; 13,  
2.28 except that the authority may not act as a general partner in any partnership; 14; 15; 16; 17;  
2.29 18; and 22, and the powers necessary or convenient to exercise the enumerated powers.

2.30 (b) Section 302A.041 applies to this chapter and the authority in the same manner  
2.31 that it applies to business corporations established under chapter 302A.

2.32 Subd. 2. **Facility design; development and operation.** The authority may enter into  
2.33 management contracts, lease agreements, or both, with a Minnesota nonprofit corporation  
2.34 to design, develop, and operate a facility to further the purposes of this chapter at the site

3.1 determined by the board and on the terms that the board finds desirable. The board must  
3.2 identify and acquire a site that will accommodate the following facilities and activities:

3.3 (1) housing for bred and lactating animals;

3.4 (2) milking parlor;

3.5 (3) automatic milking systems;

3.6 (4) cross-ventilated and natural-ventilated housing;

3.7 (5) transition cow housing;

3.8 (6) special needs and hospital housing;

3.9 (7) classrooms and a conference room;

3.10 (8) dairy processing facility with retail;

3.11 (9) visitors center;

3.12 (10) student housing;

3.13 (11) laboratory facilities;

3.14 (12) space to accommodate installation of an anaerobic digester system to research  
3.15 energy production from feedstock produced on-site or from off-site sources; and

3.16 (13) space for feed storage to allow for research capabilities at the facility.

3.17 Notwithstanding the provisions of section 32C.02, subdivision 7, relating to conflict  
3.18 of interest, a director or officer of the authority who is also a director, officer, or member  
3.19 of a nonprofit corporation with which the authority enters into management contracts or  
3.20 lease agreements may participate in and vote on the decision of the board as to the terms  
3.21 and conditions of management contracts or lease agreements between the Minnesota  
3.22 nonprofit corporation and the authority.

3.23 Subd. 3. **Funds.** The authority may accept and use gifts, grants, or contributions  
3.24 from any source to support operation of the facility. Unless otherwise restricted by the  
3.25 terms of a gift or bequest, the board may sell, exchange, or otherwise dispose of, and  
3.26 invest or reinvest the money, securities, or other property given or bequeathed to it. The  
3.27 principal of these funds, the income from them, and all other revenues received by the  
3.28 authority from any nonstate source must be placed in depositories chosen by the board  
3.29 and are subject to expenditure for the board's purposes. Expenditures of \$25,000 or more  
3.30 must be approved by the full board.

3.31 Subd. 4. **Animals; regulation.** The authority must comply with all applicable  
3.32 laws and rules relating to quarantine, transportation, examination, habitation, care, and  
3.33 treatment of animals.

3.34 Sec. 31. **[32C.03] EMPLOYEES.**

4.1 (a) The board may hire an executive director of the authority and other employees  
4.2 the board considers necessary to carry out the program, conduct research, and operate and  
4.3 maintain facilities of the authority.

4.4 (b) Persons employed by contractors or lessees are not state employees and may  
4.5 not participate in state retirement, deferred compensation, insurance, or other plans that  
4.6 apply to state employees generally and are not subject to regulation by the Campaign  
4.7 Finance and Public Disclosure Board, provided, however, that any employee of the state  
4.8 or any employee or faculty member of the University of Minnesota or Minnesota State  
4.9 Colleges and Universities System who teaches or conducts research at the authority does  
4.10 not have their status as employees of the state, University of Minnesota, or Minnesota  
4.11 State Colleges and Universities System interrupted by virtue of having their employment  
4.12 activity take place at facilities owned by the authority.

4.13 Sec. 32. **[32C.04] ACCOUNTS; AUDITS.**

4.14 The authority may establish funds and accounts that it determines to be reasonable  
4.15 and necessary to conduct the business of the authority. The board shall provide for and  
4.16 pay the cost of an independent annual audit of its official books and records by the state  
4.17 auditor. A copy of this audit must be filed with the secretary of state.

4.18 Sec. 33. **[32C.05] ANNUAL REPORT.**

4.19 The board shall submit a report to the chairs of the senate and house of  
4.20 representatives agriculture committees and the governor on the activities of the authority  
4.21 and its contractors and lessees by February 1 of each year. The report must include at  
4.22 least the following:

4.23 (1) a description of each of the programs that the authority has provided or  
4.24 undertaken at some time during the previous year;

4.25 (2) an identification of the sources of funding in the previous year for the authority's  
4.26 programs including federal, state, and local government, foundation, gifts, donations,  
4.27 fees, and all other sources;

4.28 (3) a description of the administrative expenses of the authority during the previous  
4.29 year;

4.30 (4) a listing of the assets and liabilities of the authority at the end of the previous  
4.31 fiscal year;

4.32 (5) a description of any changes made to the operational plan during the previous  
4.33 year; and

5.1 (6) a description of any newly adopted or significant changes to bylaws, policies,  
5.2 rules, or programs created or administered by the authority during the previous year.  
5.3 Reports must be made to the legislature as required by section 3.195.

5.4 Sec. 34. **[32C.06] PROPERTY TAX EXEMPTION.**

5.5 Property of the authority is exempt from taxation on its value in the same manner as  
5.6 property listed in section 272.02."

5.7 Page 15, after line 25, insert:

5.8 "Sec. 38. Minnesota Statutes 2010, section 41A.105, is amended by adding a  
5.9 subdivision to read:

5.10 Subd. 1a. **Definitions.** For the purpose of this section:

5.11 (1) "biobutanol facility" means a facility at which biobutanol is produced; and

5.12 (2) "biobutanol" means fermentation isobutyl alcohol that is derived from  
5.13 agricultural products, including potatoes, cereal grains, cheese whey, and sugar beets;  
5.14 forest products; or other renewable resources, including residue and waste generated  
5.15 from the production, processing, and marketing of agricultural products, forest products,  
5.16 and other renewable resources.

5.17 Sec. 39. Minnesota Statutes 2010, section 41A.12, subdivision 2, is amended to read:

5.18 Subd. 2. **Activities authorized.** For the purposes of this program, the commissioner  
5.19 may issue grants, loans, or other forms of financial assistance. Eligible activities include,  
5.20 but are not limited to, grants to livestock producers under the livestock investment grant  
5.21 program under section 17.118, bioenergy awards made by the NextGen Energy Board  
5.22 under section 41A.105, cost-share grants for the installation of biofuel blender pumps, and  
5.23 financial assistance to support other rural economic infrastructure activities.

5.24 Sec. 40. Minnesota Statutes 2010, section 41A.12, subdivision 4, is amended to read:

5.25 Subd. 4. **Sunset.** This section expires on June 30, ~~2013~~ 2015.

5.26 Sec. 41. Minnesota Statutes 2010, section 115.03, is amended by adding a subdivision  
5.27 to read:

5.28 Subd. 11. **Aquatic application of pesticides.** (a) The agency may issue National  
5.29 Pollutant Discharge Elimination System permits for pesticide applications to waters of the  
5.30 United States that are required by federal law or rule. The agency shall not require permits  
5.31 for aquatic pesticide applications beyond what is required by federal law or rule.

6.1 (b) The agency shall not regulate or require permits for the terrestrial application  
6.2 of pesticides.

6.3 Sec. 42. Minnesota Statutes 2010, section 116.07, subdivision 7d, is amended to read:

6.4 Subd. 7d. **Exemption.** (a) Notwithstanding subdivision 7 or Minnesota Rules,  
6.5 chapter 7020, to the contrary, and notwithstanding the proximity to public or private  
6.6 waters, an owner or resident of agricultural land on which livestock have been allowed to  
6.7 pasture ~~as defined by Minnesota Rules, chapter 7020,~~ at any time during the ten-year period  
6.8 beginning January 1, ~~1990~~ 2010, is permanently exempt from requirements related to  
6.9 feedlot or manure management on that land for so long as the property remains in pasture.

6.10 (b) For the purposes of this subdivision, "pasture" means areas where livestock graze  
6.11 on grass or other growing plants. Pasture also means agricultural land where livestock are  
6.12 allowed to forage during the winter time and which land is used for cropping purposes  
6.13 in the growing season. In either case, the concentration of animals must be such that a  
6.14 vegetative cover, whether of grass, growing plants, or crops, is maintained during the  
6.15 growing season except in the immediate vicinity of temporary supplemental feeding or  
6.16 watering devices."

6.17 Page 23, after line 3, insert:

6.18 "Sec. 58. Laws 2011, chapter 14, section 5, is amended to read:

6.19 **Sec. 5. AGRICULTURAL UTILIZATION**  
6.20 **RESEARCH INSTITUTE** \$ 2,643,000 \$ 2,643,000

6.21 The executive director of the agricultural  
6.22 utilization research institute must submit  
6.23 a detailed accomplishment report and  
6.24 a work plan detailing future plans for,  
6.25 and anticipated accomplishments from,  
6.26 expenditures under these appropriations to  
6.27 the chairs and ranking minority members of  
6.28 the legislative committees with jurisdiction  
6.29 over agricultural policy and finance on  
6.30 or before the start of each fiscal year. If  
6.31 significant changes are made to the plans in  
6.32 the course of the year, the executive director  
6.33 must notify the chairs and ranking minority  
6.34 members.

7.1 Sec. 59. Laws 2011, chapter 14, section 6, is amended to read:

7.2 Sec. 6. Minnesota Statutes 2010, section 17.135, is amended to read:

7.3 **17.135 FARM DISPOSAL OF SOLID WASTE.**

7.4 (a) A permit is not required from a state agency, except under sections 88.16,  
7.5 88.17, and 88.22 for a person who owns or operates land used for farming that buries,  
7.6 or burns and buries:

7.7 (1) solid waste generated from the person's household or as part of the person's  
7.8 farming operation; or

7.9 (2) concrete or reinforcing bar from a building or structure located on the land  
7.10 used for farming.

7.11 Items in clauses (1) and (2) must be buried in a nuisance-free, pollution-free, and  
7.12 aesthetic manner on the land used for farming. The exception in clause (1) does not  
7.13 apply if regularly scheduled pickup of solid waste is reasonably available at the person's  
7.14 farm, as determined by resolution of the county board of the county where the person's  
7.15 farm is located.

7.16 (b) The exemption in paragraph (a), clause (1), does not apply to burning tires or  
7.17 plastics, except plastic baling twine, or to burning or burial of the following materials:

7.18 (1) household hazardous waste as defined in section 115A.96, subdivision 1;

7.19 (2) appliances, including but not limited to, major appliances as defined in section  
7.20 115A.03, subdivision 17a;

7.21 (3) household batteries;

7.22 (4) used motor oil; and

7.23 (5) lead acid batteries from motor vehicles.

7.24 (c) Within 90 days after completion of the burial, an owner of land used for farming  
7.25 who buries material under the authority of paragraph (a), clause (2), shall record, with the  
7.26 county recorder or registrar of titles of the county in which the land is located, an affidavit  
7.27 containing a legal description of the property and a map drawn from available information  
7.28 showing the boundary of the property and the location of concrete or reinforcing bar  
7.29 buried on the property. The county recorder or registrar of titles must record an affidavit  
7.30 presented under this paragraph in a manner that ensures its disclosure in the ordinary  
7.31 course of a title search of the subject property.

7.32 **EFFECTIVE DATE.** This section is effective April 16, 2011.

7.33 Sec. 60. Laws 2011, chapter 14, section 7, is amended to read:

7.34 Sec. 7. Minnesota Statutes 2010, section 18B.03, subdivision 1, is amended to read:

8.1 Subdivision 1. **Administration by commissioner.** The commissioner shall  
8.2 administer, implement, and enforce this chapter and the Department of Agriculture  
8.3 is the lead state agency for the regulation of pesticides. The commissioner has the  
8.4 sole regulatory authority over the terrestrial application of pesticides, including, but  
8.5 not limited to, the application of pesticides to agricultural crops, structures, and other  
8.6 nonaquatic environments. Except as provided in subdivision 3, a state agency other than  
8.7 the Department of Agriculture shall not regulate or require permits for the terrestrial  
8.8 or nonaquatic application of pesticides."

8.9 Page 23, line 10, after "sections" insert "17.459, subdivision 3;"

8.10 Page 23, line 11, delete "and" and before "are repealed" delete the comma and insert "  
8.11 ; 395.14; 395.15; 395.16; 395.17; 395.18; 395.19; 395.20; 395.21; 395.22; 395.23; and  
8.12 395.24,"

8.13 Renumber the sections in sequence and correct the internal references

8.14 Amend the title accordingly