Overview

House File 2389 is the Agriculture and Rural Development Finance Committee omnibus bill providing funding for the Minnesota Department of Agriculture, the Board of Animal Health, the Minnesota Horticultural Society, and the Agriculture Utilization Research Institute.

1 Agriculture appropriations. Explains the format of the appropriations section and summarizes the amounts to be appropriated from the general fund and other funds.

2 Agriculture department.
   Subd. 2. Agriculture department protection services. Significant riders in this subdivision include $200,000 to the seed potato inspection fund to eliminate the need for a fee increase; $100,000 for a study of a joint agency laboratory; $300,000 to the grain inspection account to cover a shortfall; and $316,000 to provide compensation for wildlife damage to crops and livestock.
   Subd. 3. Agriculture department marketing and development. Significant riders in this subdivision include $74,117,000 for ethanol producer payments; $200,000 for an operating loan for a plant intended to use poultry litter as a fuel for electric generation; $300,000 for a loan to a cooperative that builds a livestock packing plant; $50,000 for a study on the need for a commercial shipping port available to cooperatives and farmers; $300,000 for a loan to an alfalfa pelletizing plant; $500,000 of loan repayments from existing ethanol plants is made available for an operating loan to one additional ethanol plant; $1,500,000 is for research on soybean diseases; $100,000 is for research on turkey respiratory disease; $100,000 is for research on potato aphids; $500,000 is for drainage and water quality research and demonstration projects; $500,000 is for additional funding of research projects at University of Minnesota agricultural experiment stations; $300,000 is for a planning grant for an urban agricultural high school;
$1,362,000 is for agricultural market development; $30,000 is for a study of producer production contracts; $400,000 is for financial assistance to farmers applying for operating loans; $1,070,000 is for manure odor research; and $100,000 is for beaver damage control.

**Subd. 4. Agriculture department administration and financial assistance.** Significant riders in this subdivision include $500,000 for farm advocates; $250,000 for a rapid response fund to take immediate action in case of an emerging pest or disease problem; $300,000 is for the five agriculture information centers; $350,000 is for the WIC coupon program; $3,464,000 is for technology improvements at the department of agriculture; $467,000 is for the dairy inspection account; and $50,000 is for a study of the business climate for dairy farmers.

3 **Board of animal health.** Appropriates $6,024,000 to the board for animal health activities, including $236,000 for an investigation of avian pneumovirus disease, $300,000 for control of Johne's disease in cattle, and $250,000 for pseudorabies control.

4 **Minnesota horticultural society.** Appropriates $164,000 to the society for activities during the biennium.

5 **Agricultural utilization research institute.** Appropriates $8,660,000 to AURI for programs and activities. Requires AURI to collaborate with the commissioner of agriculture on market development and technology transfer.

6 **Awarding of shared savings loans.** Adds two farmers who use organic agriculture methods to the panel that reviews applications for loans under the sustainable agriculture shared savings loan program.

7 **Awarding of sustainable agriculture demonstration grants.** Adds two farmers who use organic agriculture methods to the panel that reviews applications for loans under the sustainable agriculture demonstration grants program.

8 **Membership, feedlot and manure management advisory committee.** Adds two solid manure applicators and two liquid manure applicators who are not livestock producers to the committee.

9 **Farmed cervidae.** Expands the allowed purposes for raising farmed cervidae to include "shooting" and "harvesting."

10 **Raising farmed cervidae is an agricultural pursuit.** Expands the existing declaration that raising farmed cervidae is an agricultural pursuit by clarifying that the animals may be sold for personal consumption or taken on a licensed shooting preserve.

11 **Slaughter.** Narrows the application of the requirement that farmed cervidae be slaughtered and inspected under an approved federal inspection program. Only animals sold for commercial meat purposes must now meet this requirement.

12 **Cervidae shooting preserves.** Establishes standards and licensing fees for a cervidae shooting preserve.

The annual fee, for deposit in the game and fish fund, is $900. The commissioner of agriculture may license up to 10 cervidae shooting preserves in the state. Only animals from herds in the accredited program of the board of animal health may be released on a licensed shooting preserve. A shooting preserve must be physically separated from breeding pens or pastures where farmed cervidae are kept. A shooting preserve must be not less than 240 nor more than 960 contiguous acres in size and have adequate screening cover for the animals. Fences must be at least 96 inches tall and boundaries of the preserve must be posted. Wild cervidae must be removed from the preserve before farmed cervidae are introduced. The hunting season on a cervidae shooting preserve is August 15 through March 31, and a
patron is not required to obtain a state hunting license. Weapons used on the preserve must comply with those authorized to take wild cervidae in the same area.

The operator of a shooting preserve may establish more restrictive regulations than the minimum provided in law.

Cervidae released on a shooting preserve must bear a permanent identification mark. Harvested cervidae must be tagged during transport.

The operator of the shooting preserve must keep extensive records which must be open to inspection by the department of agriculture at reasonable times.

13 **Commodities research and promotion account.** Makes a statutory appropriation of all money received from check-off fees for research and promotion councils.

14 **Fees for livestock weighing.** Creates a statutory appropriation of livestock weighing fees received by the department of agriculture.

15 **Pesticide regulatory account.** Creates a statutory appropriation of pesticide fees and penalties received by the department of agriculture.

16 **Pesticide registration.** Allows the commissioner of agriculture to exempt certain minimum risk pesticides from registration requirements.

17 **Fertilizer inspection account.** Creates a statutory appropriation of fertilizer inspection fees received by the department of agriculture.

18 **Definition; eligible person.** Current law specifies three municipal airports that are covered by the ACRRRA provisions. The definition is amended so that all municipal airports are covered.

19 **Financial security; municipal airports.** Adds a new section making it clear that a municipal airport has the right to require aerial pesticide applicators to post financial security for any necessary corrective action.

20 **Seed potato inspection fund.** Creates a statutory appropriation of seed potato inspection fees received by the department of agriculture.

21 **Seed inspection fund.** Creates a statutory appropriation of seed inspection fees received by the department of agriculture.

22 **Commercial feed inspection account.** Creates a statutory appropriation of commercial feed inspection fees and penalties received by the department of agriculture.

23 **Fresh fruits and vegetables fees.** Creates a statutory appropriation of fresh fruit and vegetable fees received by the department of agriculture.

24 **Food handler fees.** Increases the fees for food handlers by approximately 7 percent beginning July 1, 1999.

25 **Certificate fees.** Authorizes the department of agriculture to collect a fee of $75 for providing a variety of certificates needed for the export of Minnesota foods.

26 **Duties of the commissioner; organic foods.** Adds duties for the commissioner to support and promote organic food use through demonstrations, research, and marketing development. Requires an annual report from the commissioner to the legislature on state, federal, and private developments in the area of organic agriculture.


28 **Daily price reports by packers.** Requires packers to report to USDA and the Minnesota department of agriculture on the contract and cash market sale prices paid on that day. The
commissioner of agriculture is to make the information available in an electronic medium.

29 **Penalties; adulterated milk.** The permit for a producer of Grade A or manufacturing milk whose milk is found to be adulterated must be converted to "temporary status" for up to 30 days during which the producer must complete a study on "residue prevention" and take actions to remove the adulterant from the milk. During this time milk shipped by the producer can be used only for manufacturing purposes. A producer that has completed the study and corrected the problem before the expiration of the 30-day temporary status can resume shipment of Grade A milk. A producer that has not completed the study and corrected the problem by the expiration of the 30-day temporary status can no longer ship Grade A milk.

30 **Dairy fees; dairy services account.** Creates a statutory appropriation of Grade A dairy inspection fees received by the department of agriculture.

31-32 **Board of animal health; executive director.** Changes the name of the head of the board of animal health from "executive secretary" to "executive director."

33 **Authority; board of animal health.** Allows the board of animal health to implement a voluntary Johne's disease herd status program for cattle.

34-43 **Board of animal health; executive director.** Changes the name of the head of the board of animal health from "executive secretary" to "executive director."

44 **Ethanol producer payment program.** Expands the ethanol producer payment program to allow all ethanol plants to receive $3,000,000 per year if they produce 15,000,000 gallons or more of ethanol. Also allows Minnesota Brewing to get producer payments at the $3,000,000 per year level.

45 **Agricultural education.** Expands the types of educational programs eligible to receive Minnesota agriculture education leadership council grants to elementary programs in addition to just secondary level programs.

46 **Eligible land.** Partially removes a restriction prohibiting conservation reserve program acres from being set aside, enrolled, or diverted simultaneously under another federal or state program. The exception would apply only if enrollment in multiple programs would provide additional conservation benefits or extend the enrollment program.

47 **Accredited or approved college of veterinary medicine.** Updates a reference to the specific body within the American Veterinary Medical Association that establishes accreditation standards for veterinary colleges.

48 **Definition; animal.** The current definition of "animal" excludes poultry and any kind of bird. The new definition will exclude only poultry.

49 **Definition; firm.** Creates a new definition for the term "firm," meaning corporations, limited liability companies, or limited liability partnerships wherever registered.

50 **Board of veterinary medicine; officers.** Updates language concerning officers of the board and references to a national veterinary organization.

51 **License application.** Requires an applicant for a license to file the application 60 days (rather than the current 45 days) before the examination.

52 **Information required with application.** Clarifies existing language and authorizes the use of an ECFVGC certificate as evidence of veterinary training.

53 **Examination; payment.** Clarifies and expands existing language concerning required national and state examinations and fees for the exams.

54 **Nonresidents; licenses.**

**Subd. 1. Application.** Affords recognition to training and examination earned in other states and provinces of Canada if the applicant has had recent practice
experience.

**Subd. 2. Required with application.** Updates and adds to the documents that must be included by a nonresident applying for a Minnesota license.

**Subd. 3. Examination.** Requires an applicant with no practice experience in the previous 5 years to take the current state examination.

**Subd. 4. Temporary permit.** Modifies the conditions under which an applicant may receive a temporary permit to practice veterinary medicine in the state.

**Temporary license.** Creates a new temporary license option (up to 2 years) for persons to work under the supervision of a licensed veterinarian.

**Unlawful practice without license or permit; gross misdemeanor.** Specifies that practicing veterinary medicine without a license or permit is a gross misdemeanor.

**Firms not to practice.** Current language prohibits a "corporation" from the practice of veterinary medicine in the state. A change incorporates the newly defined and broadened term "firm." Also clarifies the time period for reorganizing a veterinary medical practice after the death of one of the owners.

**Authorized activities.** Makes a technical change to the type of care an owner can provide to the owner's animal.

**Titles.** Clarifies prohibitions on the use of terms indicating veterinary training by persons who are not trained and licensed.

**Fuel supply contract.** Allows NSP to satisfy up to 75 megawatts of its biomass electric production mandate by converting it to a fuel supply agreement with an available fuel supplier.

**Gasoline; minimum oxygen content required.** Expands the number of subdivisions containing exceptions to the oxygenate mandate.

**Exemption for certain vehicles.** Strikes from current language the notation that the exemptions do not apply during a carbon monoxide control period in a carbon monoxide control area. (The U.S. Environmental Protection Agency currently prohibits the sale of non-oxygenated gasoline in a 10-county area [8 metro counties in Minnesota and 2 across the St. Croix River in Wisconsin] during the months of October through January. The change in Minnesota Statute will not override the EPA prohibition.) Also requires a retail gasoline station that sells nonoxygenated gasoline to file an annual report on sales of nonoxygenated gasoline with the division of weights and measures, department of public service.

**Exemption for certain riparian landowners.** Creates a new subdivision allowing the delivery of non-oxygenated gasoline to a stationary bulk fuel storage tank on littoral or riparian properties if the tank is under the control of the property owner. The non-oxygenated gasoline must be used only in vehicles that currently qualify for an exemption.

**Exemption for aircraft operators.** Creates a new subdivision allowing the delivery of non-oxygenated gasoline to a bulk fuel storage tank for use in aircraft.

**Definition; demonstration corporation.** For purposes of Minnesota's corporate farm law, defines a corporation that demonstrates historical farming practices as a "demonstration corporation."

**Farming and ownership of agricultural land by corporations restricted.** For purposes of Minnesota's corporate farm law, allows a "demonstration corporation" to own agricultural land and perform farming operations.

**Roundtable on agricultural producer contracts.** Establishes a roundtable consisting of 22 appointed members to study the issues of crop and livestock production under contract with processors. The department of agriculture is to provide staff support. The roundtable must report
to the legislature by January 15, 2000 on its findings and recommendations.

68 Urban agricultural high school. Establishes a working group to collaborate with the Minnesota agriculture education leadership council to develop a proposal for an urban agricultural high school and the development of agribusiness partnerships. MAELC is to report to the legislature by January 15, 2000.

69 Feedlot rule review. Prohibits the implementation of new feedlot rules or fees until 60 days after the proposed rules have been reviewed and approved by the Senate and House agriculture policy committees.

70 Revisor instruction. Instructs the revisor of statutes to renumber a subdivision dealing with licensure of veterinarians as a section.

71 Repealer. Repeals enabling legislation for the Dairy Producers Board. Also repeals statutes restricting the mobility of cattle that were intended to control the spread of brucellosis. Also repeals the entire chapter on licensing and permitting of entities wishing to do weather modification.

72 Effective date. Establishes the effective dates for various sections.