

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 1611

**DATE:** May 18, 2011

**Version:** Second engrossment

**Authors:** Hamilton

**Subject:** Agriculture omnibus policy bill

**Analyst:** Colbey Sullivan

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd](http://www.house.mn/hrd).

---

### Overview

This bill contains agriculture policy provisions and includes policy language requested by the Minnesota Department of Agriculture (MDA).

- 1 **Administration by commissioner.** Modifies pesticide control law to prohibit any other agency (e.g., MPCA) from regulating terrestrial applications.
- 2 **Indemnification.** Provides that a county collecting waste pesticides according to the terms of a cooperative agreement with MDA is granted the same legal liability protections as state workers once the county turns the waste over to the state's authorized hauler and while the hauler transports the waste between county facilities. The state would be obligated to defend or indemnify a county for the amount of a claim or judgment that exceeds the county's liability insurance coverage.
- 3 **Agricultural pesticide sales invoices.** Provides a one-year exemption from the requirement that pesticide dealers itemize the state gross sales fee on the invoice if the dealer can demonstrate to MDA that this requirement is an extreme business hardship. If the MDA grants an exemption, the dealer must instead place a general statement on the invoice stating that the sales fee was assessed and paid.
- 4 **Creation of registry.** Modifies MDA's Tree Care and Tree Trimming Company Registry to also require registration by employers that direct their employees to remove trees, tree parts, or shrubs for hire.
- 5 **Certificate fees.** Allows MDA to charge a person seeking a plant health certificate or plant export certificate the amount necessary to recover MDA's costs incurred.
- 6 **Supplemental, additional, or other certificates or permits.** Allows MDA to inspect, sample, or certify a plant treatment process.
- 7 **Misuse of a certificate or permit.** Prohibits transferring an MDA-issued plant certificate, permit, or official letter to another location or person.
- 8 **Nursery stock grower certificate.** Requires a grower who fails to acquire a necessary certificate to pay the required certificate fee. A person must pay this fee if the person is more than three months

late in applying for the necessary certificate.

- 9        **Nursery stock dealer certificate.** Requires a dealer who fails to acquire a necessary certificate to pay the required certificate fee. A person must pay this fee if the person is more than three months late in applying for the necessary certificate.
- 10       **Storage of nursery stock.** Requires a person who sells balled and burlapped nursery stock to keep the stock in an MDA-approved material. The material must cover and protect the ball of earth and must be moist at all times.
- 11       **Labeling and advertising of nursery stock.** Requires a person who collects nursery stock from the wild to have the wild stock inspected by the MDA. The person also must label the stock accordingly. If the person grows the wild stock for two years in a nursery, the label is not required.
- 12       **Vegetable seeds.** Allows a person who prepares vegetable seeds for use in home gardens to state the number of seeds in the container or the net weight of the seeds, regardless of the number of seeds in the container.
- 13       **Flower seeds.** Allows a person who prepares flower and wildflower seeds for use in home gardens to state the number of seeds in the container or the net weight of the seeds, regardless of the number of seeds in the container.
- 14       **Organization.** Establishes a new Dairy Research, Teaching, and Consumer Education Authority as a public corporation. Specifies which entities must be represented on the board of directors. Requires the board to meet at least four times a year; all board meetings are subject to the state's open meeting law. Establishes a conflict of interest policy and requires directors and officers to file statements of economic interest with the Campaign Finance and Disclosure Board.
- 15       **Powers.** Endows the authority with many of the powers granted to private corporations, except the powers to locate in another state, issue and trade securities, make loans, issue advances to directors and employees, and operate under an assumed name. Authorizes the authority to work with a Minnesota nonprofit corporation to design, develop, and operate a dairy research, teaching, and consumer education facility. The site for the facility must accommodate specified facilities and activities, including a milking parlor and classroom space. Allows the authority to accept contributions to support the facility.
- 16       **Employees.** Authorizes the authority to hire employees. A person employed by a contractor or lessee is not a state employee and may not participate in state employee benefit programs. However, a University of Minnesota or Minnesota State Colleges and Universities system employee or faculty member would not lose their employment status solely because they work at the dairy research, teaching, and consumer education facility.
- 17       **Accounts; audits.** Authorizes the authority to establish necessary funds and accounts. Requires the authority to pay for an annual financial audit by the state auditor.
- 18       **Annual report.** Requires the Authority to report annually to the legislative agriculture committees.
- 19       **Quarantine zones.** Modifies existing limits on Board of Animal Health (BAH) quarantine zones. States that a requirement that zones be as small as possible applies only to quarantine zones that restrict livestock movement. Eliminates a three-mile-radius limit on zone size.
- 20       **Restriction on movement out of quarantine zones.** Allows BAH to issue orders restricting the movement of persons, machinery, and other personal property off of a quarantined premises, rather than out of a larger quarantine zone.
- 21       **Definitions.** Defines the terms "biobutanol" and "biobutanol facility" for purposes of the statute

governing the NexGen Energy Board.

- 22 Activities authorized.** Provides that cost-share grants for the installation of biofuel blender pumps are an eligible use of money appropriated to MDA for the Agricultural Growth, Research, and Innovation Program.
- 23 Sunset.** Extends the sunset date for the Agricultural Growth, Research, and Innovation Program by two years to June 30, 2015.
- 24 Aquatic application of pesticides.** Modifies water pollution control law by authorizing the Minnesota Pollution Control Agency (MPCA) to issue National Pollutant Discharge Elimination System (NPDES) permits for pesticide applications to waters of the United States if an NPDES is required by federal law. Prohibits MPCA from going beyond federal requirements and mandating an NPDES permit for other applications. Prohibits MPCA from regulating terrestrial (i.e., land) applications.
- 25 Exemption.** Modifies the current pasture exemption from feedlot regulations to include cropland where livestock are allowed to forage during the winter. Modifies the qualifying time period from the ten-year period beginning January 1, 1990, to the ten-year period beginning January 1, 2010.
- 26 Financial statements.** Eliminates a provision requiring MDA to obtain an annual financial statement from a licensed grain buyer. Instead, MDA would have the option to require a financial statement.
- 27 Fees; grain buyers and storage account.** Renames a grain storage inspection as an "examination."
- 28 Bonding.** Modifies the procedure for determining the size of the bond that a public grain warehouse operator must file with the MDA.
- 29 Statement of grain in storage; reports.** Modifies the annual reporting requirements for public grain warehouse operators. If an operator has already reached the maximum bond level, the operator need not file the annual report.
- 30 Delivery of grain.** Eliminates a procedure for handling disagreements about the proper grade or dockage of grain delivered to a public grain warehouse.
- 31 Schedule of examination.** Replaces the terms "inspection" and "audit" in this section of the Grain Storage Act with the term "examination."
- 32 Financial reports.** States that a licensed grain storage facility must give MDA an audited financial report only when the MDA requests a copy.
- 33 Statement of grain in storage; reports.** Requires a grain bank operator to submit an annual report to MDA, which MDA will use to determine the appropriate bond requirement.
- 34 Bonding.** Modifies the procedure for determining the size of the bond that a grain bank operator must file with MDA. Removes MDA's authority to increase the required bond amounts if necessary to protect those who store grain in grain banks.
- 35 Effective date.** Provides that a law passed earlier this session and signed by the governor on April 15, 2011, became effective on April 16. The law allows the burial of certain concrete and rebar materials on farmland.
- 36 Repealer.** Repeals laws that do the following:
- Provide for MDA regulation and oversight of grain inspection, weighing, sampling, and analysis (all sections of ch. 17B).

- Allow MDA to sample, inspect, and grade grain at grain warehouses in order to certify that the warehouse meets certain standards (§ 232.24, subd. 3).
- Authorize counties to issue emergency seed and feed loans to farmers on certain specified terms (all sections of chapter 395).
- Constitute MDA-issued rules for the following areas:
  - § Regulation of wild nursery stock (part 1505.0780) and balled and burlapped nursery stock (part 1505.0810).
  - § Regulating, bonding, and licensing of grain buyers and grain storers (parts 1562.0100, 1562.0200, 1562.0700, 1562.0900, 1562.1300).