

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 1305**

(SENATE AUTHORS: SPARKS)

DATE	D-PG	OFFICIAL STATUS
03/04/2015	522	Introduction and first reading Referred to Jobs, Agriculture and Rural Development

A bill for an act

1.1 relating to state government; appropriating money for agriculture, environment,  
1.2 and natural resources; providing retail food establishment and food handler  
1.3 license fees; making policy and technical changes to various agricultural  
1.4 related provisions, including provisions related to pesticide control, plant  
1.5 protection, nursery law, seeds, food handlers, food, farmland, farming, and loans;  
1.6 establishing the farm opportunity loan program; modifying agency rulemaking;  
1.7 modifying fees and surcharges; creating accounts; regulating priority chemicals  
1.8 in children's products; modifying prior appropriations; amending Minnesota  
1.9 Statutes 2014, sections 13.643, subdivision 1; 13.7411, subdivision 8; 14.365;  
1.10 18B.01, subdivisions 28, 29; 18B.32, subdivision 1; 18B.33, subdivision 1;  
1.11 18B.34, subdivision 1; 18C.425, subdivision 6; 18G.10, subdivisions 3, 4, 5;  
1.12 18H.02, subdivision 20, by adding subdivisions; 18H.06, subdivision 2; 18H.07;  
1.13 21.81, by adding subdivisions; 21.82, subdivisions 2, 4; 21.85, subdivision 2,  
1.14 by adding a subdivision; 21.89, subdivision 2; 21.891, subdivisions 2, 5; 25.39,  
1.15 subdivision 1; 28A.03, by adding subdivisions; 28A.08, subdivision 1, by adding  
1.16 subdivisions; 28A.082, subdivision 1; 31.39, subdivision 1; 32.394, subdivisions  
1.17 8, 8b; 41B.03, subdivision 6, by adding a subdivision; 41B.04, subdivision 17;  
1.18 41B.043, subdivision 3; 41B.045, subdivisions 3, 4; 41B.046, subdivision 5;  
1.19 41B.047, subdivisions 1, 4; 41B.048, subdivision 6; 41B.049, subdivision 4;  
1.20 41B.055, subdivision 3; 41B.056, subdivision 2; 41B.06; 85.055, subdivision 1;  
1.21 86B.415, subdivision 7; 116.07, subdivision 4d; 116.9401; 116.9402; 116.9403;  
1.22 116.9405; 116.9406; 500.24, subdivision 4; Laws 2013, chapter 137, article 2,  
1.23 section 6; proposing coding for new law in Minnesota Statutes, chapters 15; 41B;  
1.24 84; 103B; 116; repealing Minnesota Statutes 2014, sections 17.115; 28A.08,  
1.25 subdivision 3; 41A.12, subdivision 4; 84.68.  
1.26

1.27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

**ARTICLE 1**

**AGRICULTURE APPROPRIATIONS**

1.30 Section 1. **AGRICULTURE APPROPRIATIONS.**

1.31 The sums shown in the columns marked "Appropriations" are appropriated to the  
1.32 agencies and for the purposes specified in this article. The appropriations are from the

2.1 general fund, or another named fund, and are available for the fiscal years indicated  
 2.2 for each purpose. The figures "2016" and "2017" used in this article mean that the  
 2.3 appropriations listed under them are available for the fiscal year ending June 30, 2016, or  
 2.4 June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal  
 2.5 year 2017. "The biennium" is fiscal years 2016 and 2017.

2.6 **APPROPRIATIONS**  
 2.7 **Available for the Year**  
 2.8 **Ending June 30**  
 2.9 **2016                      2017**

2.10 **Sec. 2. DEPARTMENT OF AGRICULTURE**

2.11 **Subdivision 1. Total Appropriation                      \$            31,329,000 \$            31,539,000**

2.12	<u>Appropriations by Fund</u>	
2.13	<u>2016</u>	<u>2017</u>
2.14	<u>General</u>	<u>29,951,000</u> <u>30,161,000</u>
2.15	<u>Remediation</u>	<u>388,000</u> <u>388,000</u>
2.16	<u>Agricultural</u>	<u>990,000</u> <u>990,000</u>

2.17 The amounts that may be spent for each  
 2.18 purpose are specified in the following  
 2.19 subdivisions.

2.20 **Subd. 2. Protection Services                                      10,733,000                      10,733,000**

2.21	<u>Appropriations by Fund</u>	
2.22	<u>2016</u>	<u>2017</u>
2.23	<u>General</u>	<u>10,155,000</u> <u>10,155,000</u>
2.24	<u>Agricultural</u>	<u>190,000</u> <u>190,000</u>
2.25	<u>Remediation</u>	<u>388,000</u> <u>388,000</u>

2.26 \$388,000 the first year and \$388,000 the  
 2.27 second year are from the remediation fund  
 2.28 for administrative funding for the voluntary  
 2.29 cleanup program.

2.30 \$150,000 the first year and \$150,000  
 2.31 the second year are for compensation  
 2.32 for destroyed or crippled animals under  
 2.33 Minnesota Statutes, section 3.737. If the  
 2.34 amount in the first year is insufficient, the  
 2.35 amount in the second year is available in the  
 2.36 first year.

3.1 \$50,000 the first year and \$50,000 the second  
 3.2 year are for compensation for crop damage  
 3.3 under Minnesota Statutes, section 3.7371. If  
 3.4 the amount in the first year is insufficient, the  
 3.5 amount in the second year is available in the  
 3.6 first year.

3.7 If the commissioner determines that claims  
 3.8 made under Minnesota Statutes, section  
 3.9 3.737 or 3.7371, are unusually high, amounts  
 3.10 appropriated for either program may be  
 3.11 transferred to the appropriation for the other  
 3.12 program.

3.13 \$200,000 the first year and \$200,000 the  
 3.14 second year are for additional funding for  
 3.15 dairy inspection services.

3.16 \$150,000 the first year and \$150,000 the  
 3.17 second year are for additional funding for  
 3.18 laboratory services operations.

3.19 \$250,000 the first year and \$250,000  
 3.20 the second year are for additional meat  
 3.21 inspection services.

3.22 Notwithstanding Minnesota Statutes, section  
 3.23 18B.05, \$90,000 the first year and \$90,000  
 3.24 the second year are from the pesticide  
 3.25 regulatory account in the agricultural fund  
 3.26 for an increase in the operating budget for  
 3.27 the Laboratory Services Division.

3.28 \$100,000 the first year and \$100,000 the  
 3.29 second year are from the pesticide regulatory  
 3.30 account in the agricultural fund to update  
 3.31 and modify applicator education and training  
 3.32 materials.

3.33 **Subd. 3. Agricultural Marketing and**  
 3.34 **Development**

3,873,000

3,873,000

4.1 \$186,000 the first year and \$186,000 the  
4.2 second year are for transfer to the Minnesota  
4.3 grown account and may be used as grants  
4.4 for Minnesota grown promotion under  
4.5 Minnesota Statutes, section 17.102. Grants  
4.6 may be made for one year. Notwithstanding  
4.7 Minnesota Statutes, section 16A.28, the  
4.8 appropriations encumbered under contract  
4.9 on or before June 30, 2017, for Minnesota  
4.10 grown grants in this paragraph are available  
4.11 until June 30, 2019.

4.12 \$634,000 the first year and \$634,000 the  
4.13 second year are for continuation of the dairy  
4.14 development and profitability enhancement  
4.15 and dairy business planning grant programs  
4.16 established under Laws 1997, chapter  
4.17 216, section 7, subdivision 2, and Laws  
4.18 2001, First Special Session chapter 2,  
4.19 section 9, subdivision 2. The commissioner  
4.20 may allocate the available sums among  
4.21 permissible activities, including efforts to  
4.22 improve the quality of milk produced in the  
4.23 state in the proportions that the commissioner  
4.24 deems most beneficial to Minnesota's  
4.25 dairy farmers. The commissioner must  
4.26 submit a detailed accomplishment report  
4.27 and a work plan detailing future plans for,  
4.28 and anticipated accomplishments from,  
4.29 expenditures under this program to the  
4.30 chairs and ranking minority members of the  
4.31 legislative committees with jurisdiction over  
4.32 agricultural policy and finance on or before  
4.33 the start of each fiscal year. If significant  
4.34 changes are made to the plans in the course  
4.35 of the year, the commissioner must notify the  
4.36 chairs and ranking minority members.

5.1 The commissioner may use funds  
 5.2 appropriated in this subdivision for annual  
 5.3 cost-share payments to resident farmers  
 5.4 or entities that sell, process, or package  
 5.5 agricultural products in this state for the costs  
 5.6 of organic certification. The commissioner  
 5.7 may allocate these funds for assistance for  
 5.8 persons transitioning from conventional to  
 5.9 organic agriculture.

5.10 **Subd. 4. Bioenergy and Value-Added**  
 5.11 **Agriculture**

10,235,000

10,235,000

5.12 \$10,235,000 the first year and \$10,235,000  
 5.13 the second year are for the agricultural  
 5.14 growth, research, and innovation program  
 5.15 in Minnesota Statutes, section 41A.12. No  
 5.16 later than February 1, 2016, and February  
 5.17 1, 2017, the commissioner must report to  
 5.18 the legislative committees with jurisdiction  
 5.19 over agriculture policy and finance regarding  
 5.20 the commissioner's accomplishments  
 5.21 and anticipated accomplishments in  
 5.22 the following areas: facilitating the  
 5.23 start-up, modernization, or expansion of  
 5.24 livestock operations including beginning  
 5.25 and transitioning livestock operations;  
 5.26 developing new markets for Minnesota  
 5.27 farmers by providing more fruits, vegetables,  
 5.28 meat, grain, and dairy for Minnesota school  
 5.29 children; assisting value-added agricultural  
 5.30 businesses to begin or expand, access new  
 5.31 markets, or diversify products; facilitating  
 5.32 the start-up, modernization, or expansion  
 5.33 of other beginning and transitioning farms;  
 5.34 research on conventional and cover crops;  
 5.35 sustainable agriculture on farm research and  
 5.36 demonstration; and research on bioenergy,

6.1 biobased content, or biobased formulated  
6.2 products and other renewable energy  
6.3 development.

6.4 The commissioner may use up to 4.5 percent  
6.5 of this appropriation for costs incurred to  
6.6 administer the program. Any unencumbered  
6.7 balance does not cancel at the end of the first  
6.8 year and is available for the second year.

6.9 Notwithstanding Minnesota Statutes, section  
6.10 16A.28, the appropriations encumbered  
6.11 under contract on or before June 30, 2017, for  
6.12 agricultural growth, research, and innovation  
6.13 grants in this subdivision are available until  
6.14 June 30, 2019.

6.15 Funds in this appropriation may be used for  
6.16 grants under this paragraph. The NextGen  
6.17 Energy Board, established in Minnesota  
6.18 Statutes, section 41A.105, shall make  
6.19 recommendations to the commissioner on  
6.20 grants for owners of Minnesota facilities  
6.21 producing bioenergy, biobased content,  
6.22 or a biobased formulated product; for  
6.23 organizations that provide for on-station,  
6.24 on-farm field scale research and outreach to  
6.25 develop and test the agronomic and economic  
6.26 requirements of diverse strands of prairie  
6.27 plants and other perennials for bioenergy  
6.28 systems; or for certain nongovernmental  
6.29 entities. For the purposes of this paragraph,  
6.30 "bioenergy" includes transportation fuels  
6.31 derived from cellulosic material, as well as  
6.32 the generation of energy for commercial heat,  
6.33 industrial process heat, or electrical power  
6.34 from cellulosic materials via gasification or  
6.35 other processes. Grants are limited to 50  
6.36 percent of the cost of research, technical

7.1 assistance, or equipment related to bioenergy,  
 7.2 biobased content, or biobased formulated  
 7.3 product production or \$500,000, whichever  
 7.4 is less. Grants to nongovernmental entities  
 7.5 for the development of business plans and  
 7.6 structures related to community ownership  
 7.7 of eligible bioenergy facilities together may  
 7.8 not exceed \$150,000. The board shall make  
 7.9 a good-faith effort to select projects that have  
 7.10 merit and, when taken together, represent a  
 7.11 variety of bioenergy technologies, biomass  
 7.12 feedstocks, and geographic regions of the  
 7.13 state. Projects must have a qualified engineer  
 7.14 provide certification on the technology and  
 7.15 fuel source. Grantees must provide reports at  
 7.16 the request of the commissioner.

7.17 Notwithstanding Minnesota Statutes, section  
 7.18 41A.12, subdivision 3, of the amount  
 7.19 appropriated in this subdivision, \$1,000,000  
 7.20 the first year and \$1,000,000 the second year  
 7.21 are for distribution in equal amounts to each  
 7.22 of the state's county fairs to preserve and  
 7.23 promote Minnesota agriculture.

7.24 **Subd. 5. Administration and Financial**  
 7.25 **Assistance**

6,488,000

6,698,000

7.26 Appropriations by Fund

7.27		<u>2016</u>	<u>2017</u>
7.28	<u>General</u>	<u>5,688,000</u>	<u>5,898,000</u>
7.29	<u>Agricultural</u>	<u>800,000</u>	<u>800,000</u>

7.30 \$47,000 the first year and \$47,000 the second  
 7.31 year are for the Northern Crops Institute.

7.32 These appropriations may be spent to  
 7.33 purchase equipment.

7.34 \$18,000 the first year and \$18,000 the  
 7.35 second year are for a grant to the Minnesota  
 7.36 Livestock Breeders Association.

8.1 \$235,000 the first year and \$235,000 the  
8.2 second year are for grants to the Minnesota  
8.3 Agricultural Education and Leadership  
8.4 Council for programs of the council under  
8.5 Minnesota Statutes, chapter 41D.

8.6 \$474,000 the first year and \$474,000 the  
8.7 second year are for payments to county and  
8.8 district agricultural societies and associations  
8.9 under Minnesota Statutes, section 38.02,  
8.10 subdivision 1. Aid payments to county and  
8.11 district agricultural societies and associations  
8.12 shall be disbursed no later than July 15 of  
8.13 each year. These payments are the amount of  
8.14 aid from the state for an annual fair held in  
8.15 the previous calendar year.

8.16 \$1,000 the first year and \$1,000 the second  
8.17 year are for grants to the Minnesota State  
8.18 Poultry Association.

8.19 \$108,000 the first year and \$108,000 the  
8.20 second year are for annual grants to the  
8.21 Minnesota Turf Seed Council for basic  
8.22 and applied research on: (1) the improved  
8.23 production of forage and turf seed related to  
8.24 new and improved varieties; and (2) native  
8.25 plants, including plant breeding, nutrient  
8.26 management, pest management, disease  
8.27 management, yield, and viability. The grant  
8.28 recipient may subcontract with a qualified  
8.29 third party for some or all of the basic or  
8.30 applied research.

8.31 \$500,000 the first year and \$500,000 the  
8.32 second year are for grants to Second Harvest  
8.33 Heartland on behalf of Minnesota's six  
8.34 Second Harvest food banks for the purchase  
8.35 of milk for distribution to Minnesota's food



9.1 shelves and other charitable organizations  
9.2 that are eligible to receive food from the food  
9.3 banks. Milk purchased under the grants must  
9.4 be acquired from Minnesota milk processors  
9.5 and based on low-cost bids. The milk must be  
9.6 allocated to each Second Harvest food bank  
9.7 serving Minnesota according to the formula  
9.8 used in the distribution of United States  
9.9 Department of Agriculture commodities  
9.10 under The Emergency Food Assistance  
9.11 Program (TEFAP). Second Harvest  
9.12 Heartland must submit quarterly reports  
9.13 to the commissioner on forms prescribed  
9.14 by the commissioner. The reports must  
9.15 include, but are not limited to, information  
9.16 on the expenditure of funds, the amount  
9.17 of milk purchased, and the organizations  
9.18 to which the milk was distributed. Second  
9.19 Harvest Heartland may enter into contracts  
9.20 or agreements with food banks for shared  
9.21 funding or reimbursement of the direct  
9.22 purchase of milk. Each food bank receiving  
9.23 money from this appropriation may use up to  
9.24 two percent of the grant for administrative  
9.25 expenses.  
9.26 \$94,000 the first year and \$94,000 the  
9.27 second year are for transfer to the Board of  
9.28 Trustees of the Minnesota State Colleges  
9.29 and Universities for statewide mental health  
9.30 counseling support to farm families and  
9.31 business operators through farm business  
9.32 management programs at Central Lakes  
9.33 College and Ridgewater College.  
9.34 \$17,000 the first year and \$17,000 the  
9.35 second year are for grants to the Minnesota  
9.36 Horticultural Society.

10.1 Notwithstanding Minnesota Statutes,  
 10.2 section 18C.131, \$800,000 the first year  
 10.3 and \$800,000 the second year are from the  
 10.4 fertilizer account in the agricultural fund  
 10.5 for grants for fertilizer research as awarded  
 10.6 by the Minnesota Agricultural Fertilizer  
 10.7 Research and Education Council under  
 10.8 Minnesota Statutes, section 18C.71. The  
 10.9 amount appropriated in either fiscal year  
 10.10 must not exceed 57 percent of the inspection  
 10.11 fee revenue collected under Minnesota  
 10.12 Statutes, section 18C.425, subdivision 6,  
 10.13 during the previous fiscal year. No later  
 10.14 than February 1, 2017, the commissioner  
 10.15 shall report to the legislative committees  
 10.16 with jurisdiction over agriculture finance.  
 10.17 The report must include the progress and  
 10.18 outcome of funded projects as well as the  
 10.19 sentiment of the council concerning the need  
 10.20 for additional research funds.

10.21 Sec. 3. **BOARD OF ANIMAL HEALTH**                    \$            **5,318,000** \$            **5,384,000**

10.22 Sec. 4. **AGRICULTURAL UTILIZATION**  
 10.23 **RESEARCH INSTITUTE**                                    \$            **3,643,000** \$            **3,643,000**

10.24 **ARTICLE 2**

10.25 **AGRICULTURE POLICY**

10.26 Section 1. Minnesota Statutes 2014, section 13.643, subdivision 1, is amended to read:

10.27 Subdivision 1. **Department of Agriculture data.** (a) **Loan and grant applicant**  
 10.28 **data.** The following data on applicants, collected by the Department of Agriculture in its  
 10.29 sustainable agriculture revolving loan and grant programs under ~~sections 17.115 and~~ section  
 10.30 17.116, are private or nonpublic: nonfarm income; credit history; insurance coverage;  
 10.31 machinery and equipment list; financial information; and credit information requests.

10.32 (b) **Farm advocate data.** The following data supplied by farmer clients to  
 10.33 Minnesota farm advocates and to the Department of Agriculture are private data on

11.1 individuals: financial history, including listings of assets and debts, and personal and  
11.2 emotional status information.

11.3 **Sec. 2. [15.445] RETAIL FOOD ESTABLISHMENT FEES.**

11.4 Subdivision 1. Fees. The fees in this section are required for retail food handler  
11.5 and food and beverage service establishments, licensed under chapters 28A and 157.  
11.6 Permanent retail food handler and food and beverage service establishments must pay  
11.7 the applicable fee under subdivision 2, paragraph (a), (b), (c), or (d), and all applicable  
11.8 fees under subdivision 4. Temporary food establishments and special events must pay the  
11.9 applicable fee under subdivision 3.

11.10 Subd. 2. Permanent food establishments. (a) The Category 1 establishment  
11.11 license fee is \$210 annually. "Category 1 establishment" means an establishment that  
11.12 does one or more of the following:

11.13 (1) sells only prepackaged nonpotentially hazardous foods as defined in Minnesota  
11.14 Rules, chapter 4626;

11.15 (2) provides cleaning for eating, drinking, or cooking utensils, when the only food  
11.16 served is prepared off-site;

11.17 (3) operates a childcare facility licensed under section 245A.03 and Minnesota  
11.18 Rules, chapter 9503; or

11.19 (4) operates as a retail food handler classified in section 28A.05 and has gross annual  
11.20 sales of \$250,000 or less.

11.21 (b) The Category 2 establishment license fee is \$270. "Category 2 establishment"  
11.22 means an establishment that is not a Category 1 establishment and is either:

11.23 (1) a food establishment where the method of food preparation meets the definition  
11.24 of a low-risk establishment in section 157.20; or

11.25 (2) an elementary or secondary school as defined in section 120A.05.

11.26 (c) The Category 3 establishment license fee is \$460 annually. "Category 3  
11.27 establishment" means an establishment that is not a Category 1 or 2 establishment and  
11.28 the method of food preparation meets the definition of a medium-risk establishment in  
11.29 section 157.20.

11.30 (d) The Category 4 establishment license fee is \$690 annually. "Category 4  
11.31 establishment" means an establishment that is not a Category 1, 2, or 3 establishment  
11.32 and is either:

11.33 (1) a food establishment where the method of food preparation meets the definition  
11.34 of a high-risk establishment in section 157.20; or

12.1 (2) an establishment where 500 or more meals per day are prepared at one location  
 12.2 and served at one or more separate locations.

12.3 Subd. 3. **Temporary food establishments and special events.** (a) The special  
 12.4 event food stand license fee is \$50 annually. Special event food stand is where food is  
 12.5 prepared or served in conjunction with celebrations, county fairs, or special events from a  
 12.6 special event food stand as defined in section 157.15.

12.7 (b) The temporary food and beverage service license fee is \$210 annually. A  
 12.8 temporary food and beverage service includes food carts, mobile food units, seasonal  
 12.9 temporary food stands, retail food vehicles, portable structures, and seasonal permanent  
 12.10 food stands.

12.11 Subd. 4. **Additional applicable fees.** (a) The individual private sewer or individual  
 12.12 private water license fee is \$60 annually. Individual private water is a water supply other  
 12.13 than a community public water supply as covered in Minnesota Rules, chapter 4720.  
 12.14 Individual private sewer is an individual sewage treatment system which uses subsurface  
 12.15 treatment and disposal.

12.16 (b) The additional food or beverage service license fee is \$165 annually. Additional  
 12.17 food or beverage service is a location at a food service establishment, other than the  
 12.18 primary food preparation and service area, used to prepare or serve food or beverages to  
 12.19 the public. Additional food service does not apply to school concession stands.

12.20 (c) The large retail food handler license fee is .02 percent of gross sales or service  
 12.21 including food service with a maximum fee of \$5,000 annually. Large retail food handler  
 12.22 is a fee category added to a license for retail food handlers as classified in section 28A.05  
 12.23 with gross annual sales over \$10,000,000.

12.24 (d) The specialized processing license fee is \$400 annually. Specialized processing  
 12.25 is a business that performs one or more specialized processes that require a HACCP as  
 12.26 required in Minnesota Rules, chapter 4626.

12.27 Sec. 3. Minnesota Statutes 2014, section 18B.01, subdivision 28, is amended to read:

12.28 Subd. 28. **Structural pest.** "Structural pest" means ~~a~~ an invertebrate pest, other  
 12.29 than a plant, or commensal rodent in, on, under, or near a structure such as a residential  
 12.30 or commercial building.

12.31 Sec. 4. Minnesota Statutes 2014, section 18B.01, subdivision 29, is amended to read:

12.32 Subd. 29. **Structural pest control.** "Structural pest control" means the control of  
 12.33 any structural pest through the ~~use of a device, a procedure, or~~ application of pesticides or  
 12.34 through other means in or around a building or other structures, including trucks, boxcars,

13.1 ships, aircraft, docks, and fumigation vaults, ~~and the business activity related to use of a~~  
13.2 ~~device, a procedure, or application of a pesticide.~~

13.3 Sec. 5. Minnesota Statutes 2014, section 18B.32, subdivision 1, is amended to read:

13.4 Subdivision 1. **Requirement.** (a) A person may not engage in structural pest  
13.5 control applications:

13.6 (1) for hire without a structural pest control license; and

13.7 (2) as a sole proprietorship, company, partnership, or corporation unless the person  
13.8 is or employs a licensed master in structural pest control operations.

13.9 (b) A structural pest control licensee must have a valid license identification card  
13.10 ~~when applying to purchase a restricted use pesticide or apply pesticides for hire and must~~  
13.11 display it upon demand by an authorized representative of the commissioner or a law  
13.12 enforcement officer. The license identification card must contain information required by  
13.13 the commissioner.

13.14 (c) ~~Notwithstanding the licensing requirements of this subdivision, a person may~~  
13.15 ~~control the following nuisance or economically damaging wild animals, by trapping,~~  
13.16 ~~without a structural pest control license:~~

13.17 (1) ~~fur-bearing animals, as defined in section 97A.015, with a valid trapping license~~  
13.18 ~~or special permit from the commissioner of natural resources; and~~

13.19 (2) ~~skunks, woodchucks, gophers, porcupines, coyotes, moles, and weasels.~~

13.20 Sec. 6. Minnesota Statutes 2014, section 18B.33, subdivision 1, is amended to read:

13.21 Subdivision 1. **Requirement.** (a) A person may not apply a pesticide for hire  
13.22 without a commercial applicator license for the appropriate use categories or a structural  
13.23 pest control license.

13.24 (b) A commercial applicator licensee must have a valid license identification card  
13.25 ~~when applying to purchase a restricted use pesticide or apply pesticides for hire and must~~  
13.26 display it upon demand by an authorized representative of the commissioner or a law  
13.27 enforcement officer. The commissioner shall prescribe the information required on the  
13.28 license identification card.

13.29 Sec. 7. Minnesota Statutes 2014, section 18B.34, subdivision 1, is amended to read:

13.30 Subdivision 1. **Requirement.** (a) Except for a licensed commercial applicator,  
13.31 certified private applicator, or licensed structural pest control applicator, a person,  
13.32 including a government employee, may not purchase or use a restricted use pesticide in

14.1 performance of official duties without having a noncommercial applicator license for an  
14.2 appropriate use category.

14.3 (b) A licensee must have a valid license identification card when applying pesticides  
14.4 and must display it upon demand by an authorized representative of the commissioner  
14.5 or a law enforcement officer. The license identification card must contain information  
14.6 required by the commissioner.

14.7 Sec. 8. Minnesota Statutes 2014, section 18C.425, subdivision 6, is amended to read:

14.8 Subd. 6. **Payment of inspection fee.** (a) The person who registers and distributes in  
14.9 the state a specialty fertilizer, soil amendment, or plant amendment under section 18C.411  
14.10 shall pay the inspection fee to the commissioner.

14.11 (b) The person licensed under section 18C.415 who distributes a fertilizer to a person  
14.12 not required to be so licensed shall pay the inspection fee to the commissioner, except as  
14.13 exempted under section 18C.421, subdivision 1, paragraph (b).

14.14 (c) The person responsible for payment of the inspection fees for fertilizers, soil  
14.15 amendments, or plant amendments sold and used in this state must pay an inspection fee  
14.16 of ~~30~~ 39 cents per ton, and until June 30, 2019, an additional 40 cents per ton, of fertilizer,  
14.17 soil amendment, and plant amendment sold or distributed in this state, with a minimum of  
14.18 \$10 on all tonnage reports. Products sold or distributed to manufacturers or exchanged  
14.19 between them are exempt from the inspection fee imposed by this subdivision if the  
14.20 products are used exclusively for manufacturing purposes.

14.21 (d) A registrant or licensee must retain invoices showing proof of fertilizer, plant  
14.22 amendment, or soil amendment distribution amounts and inspection fees paid for a period  
14.23 of three years.

14.24 Sec. 9. Minnesota Statutes 2014, section 18G.10, subdivision 3, is amended to read:

14.25 Subd. 3. **Cooperative agreements.** The commissioner may enter into cooperative  
14.26 agreements with federal and state agencies for administration of the export certification  
14.27 program. ~~An exporter of plants or plant products desiring to originate shipments from~~  
14.28 ~~Minnesota to a foreign country requiring a phytosanitary certificate or export certificate~~  
14.29 ~~must submit an application to the commissioner.~~

14.30 Sec. 10. Minnesota Statutes 2014, section 18G.10, subdivision 4, is amended to read:

14.31 Subd. 4. **Phytosanitary and export certificates.** An exporter of plants or plant  
14.32 products desiring to originate shipments from Minnesota to a foreign country requiring  
14.33 a phytosanitary certificate or export certificate must submit an application to the

15.1 commissioner. Application for phytosanitary certificates or export certificates must be  
 15.2 made on forms provided or approved by the commissioner. The commissioner ~~shall~~ may  
 15.3 conduct inspections of plants, plant products, or facilities for persons that have applied for  
 15.4 or intend to apply for a phytosanitary certificate or export certificate from the commissioner.

15.5 ~~Inspections must include one or more of the following as requested or required:~~

15.6 ~~(1) an inspection of the plants or plant products intended for export under a~~  
 15.7 ~~phytosanitary certificate or export certificate;~~

15.8 ~~(2) field inspections of growing plants to determine presence or absence of plant~~  
 15.9 ~~diseases, if necessary;~~

15.10 ~~(3) laboratory diagnosis for presence or absence of plant diseases, if necessary;~~

15.11 ~~(4) observation and evaluation of procedures and facilities utilized in handling~~  
 15.12 ~~plants and plant products, if necessary; and~~

15.13 ~~(5) review of United States Department of Agriculture, Federal Grain Inspection~~  
 15.14 ~~Service Official Export Grain Inspection Certificate logs.~~

15.15 The commissioner may issue a phytosanitary certificate or export certificate if the  
 15.16 plants or plant products satisfactorily meet the requirements of the importing foreign  
 15.17 country and the United States Department of Agriculture requirements. The requirements  
 15.18 of the destination countries must be met by the applicant.

15.19 Sec. 11. Minnesota Statutes 2014, section 18G.10, subdivision 5, is amended to read:

15.20 Subd. 5. **Certificate fees.** (a) The commissioner shall assess ~~the fees in paragraphs~~  
 15.21 ~~(b) to (f) fees sufficient to recover all costs~~ for the inspection, service, and work performed  
 15.22 in carrying out the issuance of a phytosanitary certificate or export certificate. The  
 15.23 ~~inspection fee must be based on mileage and inspection time.~~

15.24 ~~(b) Mileage charge: current United States Internal Revenue Service mileage rate.~~

15.25 ~~(c) Inspection time: \$50 per hour minimum or fee necessary to cover department~~  
 15.26 ~~costs. Inspection time includes the driving time to and from the location in addition to~~  
 15.27 ~~the time spent conducting the inspection.~~

15.28 ~~(d) (b)~~ If laboratory analysis or other technical analysis is required to issue a  
 15.29 certificate, the commissioner must set and collect the fee to recover this additional cost.

15.30 ~~(e) (c)~~ The certificate fee for product value greater than \$250: is \$75 or a fee amount,  
 15.31 not to exceed \$300, that is sufficient to recover all processing costs for each phytosanitary  
 15.32 or export certificate issued for any single shipment valued at more than \$250 in addition to  
 15.33 any mileage or inspection time charges that are assessed.

16.1 ~~(f) Certificate fee for product value less than \$250: \$25 for each phytosanitary or~~  
 16.2 ~~export certificate issued for any single shipment valued at less than \$250 in addition to~~  
 16.3 ~~any mileage or inspection time charges that are assessed.~~

16.4 ~~(g)~~ (d) For services provided for in subdivision 7 that are goods and services  
 16.5 provided for the direct and primary use of a private individual, business, or other entity,  
 16.6 the commissioner must set and collect the fees to cover the cost of the services provided.

16.7 Sec. 12. Minnesota Statutes 2014, section 18H.02, subdivision 20, is amended to read:

16.8 Subd. 20. **Nursery stock.** "Nursery stock" means a plant intended for planting or  
 16.9 propagation, including, but not limited to, trees, shrubs, vines, perennials, biennials, grafts,  
 16.10 cuttings, and buds that may be sold for propagation, whether cultivated or wild, and all  
 16.11 viable parts of these plants. Nursery stock does not include:

- 16.12 (1) field and forage crops or sod;
- 16.13 (2) ~~the seeds of grasses, cereal grains, vegetable crops, and flowers~~;
- 16.14 (3) vegetable plants, bulbs, or tubers;
- 16.15 (4) cut flowers, unless stems or other portions are intended for propagation;
- 16.16 (5) annuals; or
- 16.17 (6) Christmas trees.

16.18 Sec. 13. Minnesota Statutes 2014, section 18H.02, is amended by adding a subdivision  
 16.19 to read:

16.20 Subd. 32a. **Sod.** "Sod" means the upper portion of soil that contains the roots of  
 16.21 grasses and the living grass plants.

16.22 Sec. 14. Minnesota Statutes 2014, section 18H.02, is amended by adding a subdivision  
 16.23 to read:

16.24 Subd. 35. **Tropical plant.** "Tropical plant" means a plant that has a United States  
 16.25 Department of Agriculture hardiness zone designation of zone 6 or greater, or an annual  
 16.26 minimum hardiness temperature of -9 degrees Fahrenheit.

16.27 Sec. 15. Minnesota Statutes 2014, section 18H.06, subdivision 2, is amended to read:

16.28 Subd. 2. **Occasional sales.** (a) An individual may offer nursery stock for sale and be  
 16.29 exempt from the requirement to obtain a nursery stock dealer certificate if:

- 16.30 (1) the gross sales of all nursery stock in a calendar year do not exceed \$2,000;
- 16.31 (2) all nursery stock sold or distributed by the individual is intended for planting  
 16.32 in Minnesota;



17.1 (3) all nursery stock purchased or procured for resale or distribution was grown in  
17.2 Minnesota and has been certified by the commissioner; and

17.3 (4) conducts sales or distributions of nursery stock on ten or fewer days in a calendar  
17.4 year.

17.5 (b) The commissioner may prescribe the conditions of the exempt nursery sales under  
17.6 this subdivision and may conduct routine inspections of the nursery stock offered for sale.

17.7 Sec. 16. Minnesota Statutes 2014, section 18H.07, is amended to read:

17.8 **18H.07 FEE SCHEDULE.**

17.9 Subdivision 1. **Establishment of fees.** The commissioner shall establish fees  
17.10 sufficient to allow for the administration and enforcement of this chapter and rules adopted  
17.11 under this chapter, including the portion of general support costs and statewide indirect  
17.12 costs of the agency attributable to that function, with a reserve sufficient for up to six  
17.13 months. The commissioner shall review the fee schedule annually in consultation with  
17.14 the Minnesota Nursery and Landscape Advisory Committee. For the certificate year  
17.15 beginning January 1, 2006, the fees are as described in this section.

17.16 Subd. 2. **Nursery stock grower certificate.** (a) A nursery stock grower must  
17.17 pay an annual fee based on the area of all acreage on which nursery stock is grown ~~for~~  
17.18 ~~certification~~ as follows:

17.19 (1) less than one-half acre, \$150;

17.20 (2) from one-half acre to two acres, \$200;

17.21 (3) over two acres up to five acres, \$300;

17.22 (4) over five acres up to ten acres, \$350;

17.23 (5) over ten acres up to 20 acres, \$500;

17.24 (6) over 20 acres up to 40 acres, \$650;

17.25 (7) over 40 acres up to 50 acres, \$800;

17.26 (8) over 50 acres up to 200 acres, \$1,100;

17.27 (9) over 200 acres up to 500 acres, \$1,500; and

17.28 (10) over 500 acres, \$1,500 plus \$2 for each additional acre.

17.29 (b) In addition to the fees in paragraph (a), a penalty of ten percent of the fee due  
17.30 must be charged for each month, or portion thereof, that the fee is delinquent up to a  
17.31 maximum of 30 percent for any application for renewal not postmarked by December 31  
17.32 of the current year.

17.33 (c) A nursery stock grower found operating without a valid nursery stock grower  
17.34 certificate cannot offer for sale or sell nursery stock until (1) payment is received by the

18.1 commissioner for (i) the certificate fee due and (ii) a penalty equal to the certificate fee  
 18.2 owed, and (2) a new certificate is issued to the nursery stock grower by the commissioner.

18.3 Subd. 3. **Nursery stock dealer certificate.** (a) A nursery stock dealer must pay an  
 18.4 annual fee based on the dealer's gross sales of certified nursery stock per location during  
 18.5 the most recent certificate year. A certificate applicant operating for the first time must pay  
 18.6 the minimum fee. The fees per sales location are:

- 18.7 (1) gross sales up to \$5,000, \$150;
- 18.8 (2) gross sales over \$5,000 up to \$20,000, \$175;
- 18.9 (3) gross sales over \$20,000 up to \$50,000, \$300;
- 18.10 (4) gross sales over \$50,000 up to \$75,000, \$425;
- 18.11 (5) gross sales over \$75,000 up to \$100,000, \$550;
- 18.12 (6) gross sales over \$100,000 up to \$200,000, \$675; and
- 18.13 (7) gross sales over \$200,000, \$800.

18.14 (b) In addition to the fees in paragraph (a), a penalty of ten percent of the fee due  
 18.15 must be charged for each month, or portion thereof, that the fee is delinquent up to a  
 18.16 maximum of 30 percent for any application for renewal not postmarked by December 31  
 18.17 of the current year.

18.18 (c) A nursery stock dealer found operating without a valid nursery stock dealer  
 18.19 certificate cannot offer for sale or sell nursery stock until (1) payment is received by the  
 18.20 commissioner for (i) the certificate fee due and (ii) a penalty equal to the certificate fee  
 18.21 owed, and (2) a new certificate is issued to the nursery stock dealer by the commissioner.

18.22 Subd. 4. **Reinspection; additional or optional inspection fees.** If a reinspection is  
 18.23 required or an additional inspection is needed or requested a fee must be assessed based  
 18.24 on mileage and inspection time as follows:

- 18.25 (1) mileage must be charged at the current United States Internal Revenue Service  
 18.26 reimbursement rate; and
- 18.27 (2) inspection time must be charged at ~~the rate of \$50 per hour~~, a rate sufficient to  
 18.28 recover all inspection costs including the driving time to and from the location in addition  
 18.29 to the time spent conducting the inspection.

18.30 Sec. 17. Minnesota Statutes 2014, section 21.81, is amended by adding a subdivision  
 18.31 to read:

18.32 Subd. 1a. **Address.** "Address" means the complete primary mailing address of the  
 18.33 labeler or the person or firm selling seed. A complete address includes the street address,  
 18.34 post office box, or rural route, and city, state, and zip code or postal code.

19.1 Sec. 18. Minnesota Statutes 2014, section 21.81, is amended by adding a subdivision  
19.2 to read:

19.3 Subd. 27a. **Total viable.** "Total viable" means the sum of the germination  
19.4 percentage, plus hard seeds, dormant seeds, or both.

19.5 Sec. 19. Minnesota Statutes 2014, section 21.82, subdivision 2, is amended to read:

19.6 Subd. 2. **Content.** For agricultural, vegetable, flower, or wildflower seeds offered  
19.7 for sale as agricultural seed, except as otherwise provided in subdivisions 4, 5, and 6, the  
19.8 label must contain:

19.9 (a) The name of the kind or kind and variety for each seed component in excess  
19.10 of five percent of the whole and the percentage by weight of each in order of its  
19.11 predominance. The commissioner shall by rule designate the kinds that are required to be  
19.12 labeled as to variety. If the variety of those kinds generally labeled as to variety is not  
19.13 stated and it is not required to be stated, the label shall show the name of the kind and the  
19.14 words: "Variety not stated." The heading "pure seed" must be indicated on the seed label  
19.15 in close association with other required label information.

19.16 (1) The percentage that is hybrid shall be at least 95 percent of the percentage of pure  
19.17 seed shown unless the percentage of pure seed which is hybrid seed is shown separately.  
19.18 If two or more kinds or varieties are present in excess of five percent and are named on  
19.19 the label, each that is hybrid shall be designated as hybrid on the label. Any one kind or  
19.20 kind and variety that has pure seed which is less than 95 percent but more than 75 percent  
19.21 hybrid seed as a result of incompletely controlled pollination in a cross shall be labeled to  
19.22 show the percentage of pure seed that is hybrid seed or a statement such as "contains from  
19.23 75 percent to 95 percent hybrid seed." No one kind or variety of seed shall be labeled as  
19.24 hybrid if the pure seed contains less than 75 percent hybrid seed. The word hybrid shall be  
19.25 shown on the label in conjunction with the kind.

19.26 (2) Blends shall be listed on the label using the term "blend" in conjunction with  
19.27 the kind.

19.28 (3) Mixtures shall be listed on the label using the term "mixture," "mix," or "mixed."

19.29 (b) Lot number or other lot identification.

19.30 (c) Origin, if known, or that the origin is unknown.

19.31 (d) Percentage by weight of all weed seeds present. This percentage may not exceed  
19.32 one percent. The heading "weed seed" must be indicated on the seed label in close  
19.33 association with other required label information.

20.1 (e) Name and rate of occurrence per pound of each kind of restricted noxious weed  
 20.2 seeds present. They must be listed under the heading "noxious weed seeds" in close  
 20.3 association with other required label information.

20.4 (f) Percentage by weight of seeds other than those kinds and varieties required  
 20.5 to be named on the label. They must be listed under the heading "other crop" in close  
 20.6 association with other required label information.

20.7 (g) Percentage by weight of inert matter. The heading "inert matter" must be  
 20.8 indicated on the seed label in close association with other required label information.

20.9 (h) Net weight of contents, to appear on either the container or the label.

20.10 (i) For each named kind or variety of seed:

20.11 (1) percentage of germination, exclusive of hard or dormant seed or both;

20.12 (2) percentage of hard or dormant seed or both, if present; and

20.13 (3) the calendar month and year the percentages were determined by test or the  
 20.14 statement "sell by (month and year)" which may not be more than 12 months from the  
 20.15 date of test, exclusive of the month of test.

20.16 The headings for "germination" and "hard seed or dormant seed" percentages must be  
 20.17 stated separately on the seed label. A separate percentage derived from combining these  
 20.18 percentages may also be stated on the seed label, ~~but the heading for this percentage must~~  
 20.19 ~~be "total germination and hard seed or dormant seed when applicable." They must not be~~  
 20.20 ~~stated as "total live seed," "total germination," or in any other unauthorized manner. as~~  
 20.21 "total viable."

20.22 (j) Name and address of the person who labeled the seed or who sells the seed within  
 20.23 this state, or a code number which has been registered with the commissioner.

20.24 Sec. 20. Minnesota Statutes 2014, section 21.82, subdivision 4, is amended to read:

20.25 Subd. 4. **Hybrid seed corn.** For hybrid seed corn purposes a label must contain:

20.26 (1) a statement indicating the number of seeds in the container may be listed along  
 20.27 with or in lieu of the net weight of contents; and

20.28 (2) for each variety of hybrid seed field corn, the day classification as determined  
 20.29 by the originator or owner. The day classification must approximate the number of days  
 20.30 of growing season necessary from emergence of the corn plant above ground to relative  
 20.31 maturity and must ~~conform to the day classification established by the director of~~ be  
 20.32 within three days of maturity ratings determined in comparative trials by the Minnesota  
 20.33 agricultural experiment station for the appropriate zone.

20.34 Sec. 21. Minnesota Statutes 2014, section 21.85, subdivision 2, is amended to read:

21.1 Subd. 2. **Seed laboratory.** (a) The commissioner shall establish and maintain a seed  
21.2 laboratory for seed testing, employing necessary agents and assistants to administer and  
21.3 enforce sections 21.80 to 21.92, who shall be governed by chapter 43A.

21.4 (b) The laboratory procedures for testing official seed samples are the procedures  
21.5 set forth in the Rules for Testing Seeds that is published annually by the Association of  
21.6 Official Seed Analysts. If a laboratory procedure rule does not exist for a particular type  
21.7 of seed, then laboratory procedures from other recognized seed testing sources may be  
21.8 used, including procedures under the Code of Federal Regulations, title 7, part 201, or  
21.9 the International Rules for Testing Seeds.

21.10 Sec. 22. Minnesota Statutes 2014, section 21.85, is amended by adding a subdivision  
21.11 to read:

21.12 Subd. 15. **Prohibited and restricted seeds.** The commissioner shall determine  
21.13 species that are considered prohibited weed seeds and restricted noxious weed seeds and  
21.14 the allowable rate of occurrence of restricted noxious weed seeds.

21.15 Sec. 23. Minnesota Statutes 2014, section 21.89, subdivision 2, is amended to read:

21.16 Subd. 2. **Permits; issuance and revocation.** The commissioner shall issue a permit  
21.17 to the initial labeler of agricultural, vegetable, flower, and wildflower seeds which are sold  
21.18 for use in Minnesota and which conform to and are labeled under sections 21.80 to 21.92.  
21.19 The categories of permits are as follows:

21.20 (1) for initial labelers who sell 50,000 pounds or less of agricultural seed each  
21.21 calendar year, an annual permit issued for a fee established in section 21.891, subdivision  
21.22 2, paragraph (b);

21.23 (2) for initial labelers who sell vegetable, flower, and wildflower seed packed for  
21.24 use in home gardens or household plantings, and initial labelers who sell native grasses  
21.25 and wildflower seed in commercial or agricultural quantities, an annual permit issued for  
21.26 a fee established in section 21.891, subdivision 2, paragraph (c), based upon the gross  
21.27 sales from the previous year; and

21.28 (3) for initial labelers who sell more than 50,000 pounds of agricultural seed  
21.29 each calendar year, a permanent permit issued for a fee established in section 21.891,  
21.30 subdivision 2, paragraph (d).

21.31 In addition, the person shall furnish to the commissioner an itemized statement of all  
21.32 seeds sold in Minnesota for the periods established by the commissioner. This statement  
21.33 shall be delivered, along with the payment of the fee, based upon the amount and type  
21.34 of seed sold, to the commissioner no later than 30 days after the end of each reporting

22.1 period. Any person holding a permit shall show as part of the analysis labels or invoices  
 22.2 on all agricultural, vegetable, flower, wildflower, tree, or shrub seeds all information the  
 22.3 commissioner requires. The commissioner may revoke any permit in the event of failure  
 22.4 to comply with applicable laws and rules.

22.5 Sec. 24. Minnesota Statutes 2014, section 21.891, subdivision 2, is amended to read:

22.6 Subd. 2. **Seed fee permits.** (a) An initial labeler who wishes to sell seed in  
 22.7 Minnesota must comply with section 21.89, subdivisions 1 and 2, and the procedures in  
 22.8 this subdivision. Each initial labeler who wishes to sell seed in Minnesota must apply to  
 22.9 the commissioner to obtain a permit. The application must contain the name and address of  
 22.10 the applicant, the application date, and the name and title of the applicant's contact person.

22.11 (b) The application for a seed permit covered by section 21.89, subdivision 2, clause  
 22.12 (1), must be accompanied by an application fee of ~~\$50~~ \$75.

22.13 (c) The application for a seed permit covered by section 21.89, subdivision 2, clause  
 22.14 (2), must be accompanied by an application fee based on the level of annual gross sales  
 22.15 as follows:

22.16 (1) for gross sales of \$0 to \$25,000, the annual permit fee is ~~\$50~~ \$75;

22.17 (2) for gross sales of \$25,001 to \$50,000, the annual permit fee is ~~\$100~~ \$150;

22.18 (3) for gross sales of \$50,001 to \$100,000, the annual permit fee is ~~\$200~~ \$300;

22.19 (4) for gross sales of \$100,001 to \$250,000, the annual permit fee is ~~\$500~~ \$750;

22.20 (5) for gross sales of \$250,001 to \$500,000, the annual permit fee is ~~\$1,000~~ \$1,500;

22.21 and

22.22 (6) for gross sales of \$500,001 ~~and above~~ to \$1,000,000, the annual permit fee is  
 22.23 ~~\$2,000~~ \$3,000; and

22.24 (7) for gross sales of \$1,000,001 and above, the annual permit fee is \$4,500.

22.25 (d) The application for a seed permit covered by section 21.89, subdivision 2, clause  
 22.26 (3), must be accompanied by an application fee of ~~\$50~~ \$75. Initial labelers holding seed  
 22.27 fee permits covered under this paragraph need not apply for a new permit or pay the  
 22.28 application fee. Under this permit category, the fees for the following kinds of agricultural  
 22.29 seed sold either in bulk or containers are:

22.30 (1) oats, wheat, and barley, ~~6.3~~ 9 cents per hundredweight;

22.31 (2) rye, field beans, soybeans, buckwheat, and flax, ~~8.4~~ 12 cents per hundredweight;

22.32 (3) field corn, ~~29.4~~ 17 cents per ~~hundredweight~~ 80,000 seed unit;

22.33 (4) forage, lawn and turf grasses, and legumes, ~~49~~ 69 cents per hundredweight;

22.34 (5) sunflower, ~~\$1.40~~ \$1.96 per hundredweight;

22.35 (6) sugar beet, ~~\$3.29~~ 12 cents per ~~hundredweight~~ 100,000 seed unit; and

23.1 (7) soybeans, 7.5 cents per 140,000 seed unit; and

23.2 ~~(7)~~ (8) for any agricultural seed not listed in clauses (1) to ~~(6)~~ (7), the fee for the crop  
23.3 most closely resembling it in normal planting rate applies.

23.4 (e) If, for reasons beyond the control and knowledge of the initial labeler, seed is  
23.5 shipped into Minnesota by a person other than the initial labeler, the responsibility for the  
23.6 seed fees are transferred to the shipper. An application for a transfer of this responsibility  
23.7 must be made to the commissioner. Upon approval by the commissioner of the transfer,  
23.8 the shipper is responsible for payment of the seed permit fees.

23.9 (f) Seed permit fees may be included in the cost of the seed either as a hidden cost or  
23.10 as a line item cost on each invoice for seed sold. To identify the fee on an invoice, the  
23.11 words "Minnesota seed permit fees" must be used.

23.12 (g) All seed fee permit holders must file semiannual reports with the commissioner,  
23.13 even if no seed was sold during the reporting period. Each semiannual report must be  
23.14 submitted within 30 days of the end of each reporting period. The reporting periods are  
23.15 October 1 to March 31 and April 1 to September 30 of each year or July 1 to December  
23.16 31 and January 1 to June 30 of each year. Permit holders may change their reporting  
23.17 periods with the approval of the commissioner.

23.18 (h) The holder of a seed fee permit must pay fees on all seed for which the permit  
23.19 holder is the initial labeler and which are covered by sections 21.80 to 21.92 and sold  
23.20 during the reporting period.

23.21 (i) If a seed fee permit holder fails to submit a semiannual report and pay the seed  
23.22 fee within 30 days after the end of each reporting period, the commissioner shall assess a  
23.23 penalty of \$100 or eight percent, calculated on an annual basis, of the fee due, whichever  
23.24 is greater, but no more than \$500 for each late semiannual report. A \$15 penalty must be  
23.25 charged when the semiannual report is late, even if no fee is due for the reporting period.  
23.26 Seed fee permits may be revoked for failure to comply with the applicable provisions of  
23.27 this paragraph or the Minnesota seed law.

23.28 Sec. 25. Minnesota Statutes 2014, section 21.891, subdivision 5, is amended to read:

23.29 Subd. 5. **Brand name registration fee.** The fee is ~~\$25~~ \$50 for each variety  
23.30 registered for sale by brand name.

23.31 Sec. 26. Minnesota Statutes 2014, section 25.39, subdivision 1, is amended to read:

23.32 Subdivision 1. **Amount of fee.** (a) An inspection fee at the rate of ~~16~~ 26 cents per  
23.33 ton must be paid to the commissioner on commercial feeds distributed in this state by the

24.1 ~~a person who first distributes the commercial feed, licensed under section 25.341 who~~  
 24.2 ~~distributes a commercial feed to a person not required to be licensed, except that:~~

24.3 ~~(1) no fee need be paid on:~~

24.4 ~~(i) (1) a commercial feed if the payment has been made by a previous distributor; or~~

24.5 ~~(ii) (2) customer formula feeds if the inspection fee is paid on the commercial feeds~~

24.6 ~~which are used as ingredients; or~~

24.7 ~~(2) a Minnesota feed distributor who can substantiate that greater than 50 percent~~

24.8 ~~of the distribution of commercial feed is to purchasers outside the state may purchase~~

24.9 ~~commercial feeds without payment of the inspection fee under a tonnage fee exemption~~

24.10 ~~permit issued by the commissioner. Such location specific permits shall be issued on a~~

24.11 ~~calendar year basis to commercial feed distributors who submit a \$100 nonrefundable~~

24.12 ~~application fee and comply with rules adopted by the commissioner relative to record~~

24.13 ~~keeping, tonnage of commercial feed distributed in Minnesota, total of all commercial~~

24.14 ~~feed tonnage distributed, and all other information which the commissioner may require~~

24.15 ~~so as to ensure that proper inspection fee payment has been made.~~

24.16 (b) In the case of pet food distributed in the state only in packages of ten pounds

24.17 or less, a listing of each product and a current label for each product must be submitted

24.18 annually on forms provided by the commissioner and accompanied by an annual fee

24.19 of \$50 for each product in lieu of the inspection fee. This annual fee is due by July 1.

24.20 The inspection fee required by paragraph (a) applies to pet food distributed in packages

24.21 exceeding ten pounds.

24.22 (c) In the case of specialty pet food distributed in the state only in packages of

24.23 ten pounds or less, a listing of each product and a current label for each product must

24.24 be submitted annually on forms provided by the commissioner and accompanied by an

24.25 annual fee of \$25 for each product in lieu of the inspection fee. This annual fee is due

24.26 by July 1. The inspection fee required by paragraph (a) applies to specialty pet food

24.27 distributed in packages exceeding ten pounds.

24.28 (d) The minimum inspection fee is ~~\$40~~ \$100 per annual reporting period.

24.29 Sec. 27. Minnesota Statutes 2014, section 28A.03, is amended by adding a subdivision

24.30 to read:

24.31 Subd. 11. HACCP plan. "Hazard analysis critical control point (HACCP) plan"

24.32 means a written document that delineates the formal procedures for following the HACCP

24.33 principles developed by the National Advisory Committee on Microbiological Criteria

24.34 for Foods.



25.1 Sec. 28. Minnesota Statutes 2014, section 28A.03, is amended by adding a subdivision  
25.2 to read:

25.3 Subd. 12. **Statewide education and evaluation fee.** "Statewide education and  
25.4 evaluation fee" means a fee to fund statewide retail food program development activities,  
25.5 including training for inspection staff, technical assistance, maintenance of a statewide  
25.6 integrated food safety and security information system, and other related statewide  
25.7 activities that support the retail food program activities.

25.8 Sec. 29. Minnesota Statutes 2014, section 28A.08, subdivision 1, is amended to read:

25.9 Subdivision 1. **General.** License fees, penalties for late renewal of licenses, and  
25.10 penalties for not obtaining a license before conducting business in food handling that are set  
25.11 in this section apply to the sections named except as provided under section 28A.09. Except  
25.12 as specified herein, bonds and assessments based on number of units operated or volume  
25.13 handled or processed which are provided for in said laws shall not be affected, nor shall any  
25.14 penalties for late payment of said assessments, nor shall inspection fees, be affected by this  
25.15 chapter. The penalties may be waived by the commissioner. Fees for all new licenses must  
25.16 be based on the anticipated future gross annual food sales. If a firm is found to be operating  
25.17 for multiple years without paying license fees, the state may collect the appropriate fees  
25.18 and penalties for each year of operation. Food handlers must pay the highest applicable  
25.19 fee under subdivisions 4 to 9, and must pay all applicable fees under subdivision 10.

25.20 Sec. 30. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
25.21 to read:

25.22 Subd. 4. **Retail food handler license fees.** Retail food handler license fees are set  
25.23 forth under section 15.445.

25.24 Sec. 31. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
25.25 to read:

25.26 Subd. 5. **Wholesale food handler.** (a) Wholesale food handler license fees are  
25.27 set forth under this subdivision.

25.28 (b) The Category 1 license fee is \$250. "Category 1" means a fee category as a  
25.29 wholesale food handler as classified in section 28A.05 that has gross annual sales of  
25.30 \$250,000 or less.

25.31 (c) The Category 2 license fee is \$500. "Category 2" means a fee category as a  
25.32 wholesale food handler as classified in section 28A.05 that is not a Category 1 and where  
25.33 food sales are limited to frozen storage or ambient, shelf-stable storage.

26.1 (d) The Category 3 license fee is \$1,000. "Category 3" means a fee category as  
26.2 a wholesale food handler as classified in section 28A.05 that is not Category 1 or 2  
26.3 and where food sales include refrigerated storage or the distribution of perishable food  
26.4 products as defined in section 34A.01.

26.5 (e) The Category 4 license fee is \$1,500. "Category 4" means a fee category as a  
26.6 wholesale food handler as classified in section 28A.05 that is not Category 1, 2, or 3 and  
26.7 where food sales include one or more of the following:

26.8 (1) potentially hazardous foods that are considered ready-to-eat or are considered  
26.9 specialized processes as defined and required by Code of Federal Regulations, title 21,  
26.10 parts 113, 114, 120, and 123;

26.11 (2) high-risk production such as canning low-acid foods, acidifying foods, vacuum  
26.12 packaging, salvaging, smoking for preservation, or curing; or

26.13 (3) potentially hazardous food frequently implicated in foodborne illnesses.

26.14 Sec. 32. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
26.15 to read:

26.16 Subd. 6. **Wholesale food processor or manufacturer.** (a) Wholesale food  
26.17 processor or manufacturer license fees are set forth under this subdivision.

26.18 (b) The Category 1 license fee is \$250. "Category 1" means a fee category as a  
26.19 wholesale food processor or manufacturer as classified in section 28A.05 that has gross  
26.20 annual sales of \$250,000 or less.

26.21 (c) The Category 2 license fee is \$600. "Category 2" means a fee category as a  
26.22 wholesale food processor or manufacturer as classified in section 28A.05 that is not a  
26.23 Category 1 and where food sales are limited to food that is not ready-to-eat or potentially  
26.24 hazardous.

26.25 (d) The Category 3 license fee is \$1,200. "Category 3" means a fee category  
26.26 as a wholesale food processor or manufacturer as classified in section 28A.05 that is  
26.27 not Category 1 or 2 and where food sales include foods that are either ready-to-eat or  
26.28 potentially hazardous, but not both.

26.29 (e) The Category 4 license fee is \$2,000. "Category 4" means a fee category as  
26.30 a wholesale food processor or manufacturer as classified in section 28A.05 that is not  
26.31 Category 1, 2, or 3 and where food sales include one or more of the following:

26.32 (1) potentially hazardous foods that are considered ready-to-eat or are considered  
26.33 specialized processes as defined and required by Code of Federal Regulations, title 21,  
26.34 parts 113, 114, 120, and 123;

27.1 (2) high-risk production such as canning low-acid foods, acidifying foods, vacuum  
27.2 packaging, salvaging, smoking for preservation, or curing; or

27.3 (3) potentially hazardous food frequently implicated in foodborne illnesses.

27.4 (f) The fee for a wholesale food processor or manufacturer operating only at the  
27.5 Minnesota State Fair is \$125.

27.6 (g) The fee for a wholesale food manufacturer that has the permission of the  
27.7 commissioner to use the name Minnesota Farmstead cheese is \$30.

27.8 (h) The fee for a wholesale food manufacturer processing less than 700,000 pounds  
27.9 of raw milk per year is \$30.

27.10 Sec. 33. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
27.11 to read:

27.12 Subd. 7. **Certain wholesale food processors.** (a) For purposes of this subdivision,  
27.13 "wholesale food processor" means a wholesale food processor of meat or poultry products  
27.14 that is solely under the supervision of the United States Department of Agriculture. The  
27.15 wholesale food processor fees are set forth in this subdivision.

27.16 (b) For a wholesale food processor with:

27.17 (1) gross sales or service of less than \$250,000 for the immediately previous license  
27.18 or fiscal year, the fee is \$250;

27.19 (2) \$250,001 to \$5,000,000 gross sales or service for the immediately previous  
27.20 license or fiscal year, the fee is \$435;

27.21 (3) \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous  
27.22 license or fiscal year, the fee is \$680;

27.23 (4) \$10,000,001 to \$25,000,000 gross sales or service for the immediately previous  
27.24 license or fiscal year, the fee is \$1,335;

27.25 (5) \$25,000,001 to \$100,000,000 gross sales or service for the immediately previous  
27.26 license or fiscal year, the fee is \$1,685; or

27.27 (6) \$100,000,001 or more gross sales or service for the immediately previous  
27.28 license or fiscal year, the fee is \$1,860.

27.29 Sec. 34. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
27.30 to read:

27.31 Subd. 8. **Food broker.** The license fee for a food broker or wholesaler food handler  
27.32 that does not take physical possession of food is \$250.

28.1 Sec. 35. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
28.2 to read:

28.3 Subd. 9. **Milk marketing organization.** The license fee for or a milk marketing  
28.4 organization without facilities for processing or manufacturing that purchases milk from  
28.5 milk producers for delivery to a licensed wholesale food processor or manufacturer is \$50.

28.6 Sec. 36. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
28.7 to read:

28.8 Subd. 10. **Additional applicable fees.** (a) The license fee for an individual private  
28.9 sewer or individual private water is \$60. "Individual private water" means a fee category  
28.10 with a water supply other than a community public water supply as defined in Minnesota  
28.11 Rules, chapter 4720. "Individual private sewer" means a fee category with an individual  
28.12 sewage treatment system that uses subsurface treatment and disposal.

28.13 (b) "Large wholesale food handler establishment" means a fee category added to  
28.14 a license based on gross annual sales over \$10,000,000 for wholesale food handlers as  
28.15 classified in section 28A.05. The fee for a large wholesale food handler establishment shall  
28.16 equal 0.02 percent of gross sales or service, including food, with a maximum fee of \$7,500.

28.17 (c) "Large wholesale food processor or manufacturer establishment" means a fee  
28.18 category added to a license based on gross annual sales over \$10,000,000 for wholesale  
28.19 food processors or manufacturers as classified in section 28A.05. The fee for a large  
28.20 wholesale food processor or manufacturer establishment shall equal 0.02 percent of  
28.21 gross sales or service, including food, with a maximum fee of \$10,000. Wholesale food  
28.22 processors or manufacturers paying license fees under section 28A.08, subdivision 7,  
28.23 are exempt from this fee.

28.24 Sec. 37. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
28.25 to read:

28.26 Subd. 11. **Statewide education and evaluation fee.** Every person, individual, firm,  
28.27 or corporation that operates as a retail food handler, retail mobile food handler, seasonal  
28.28 temporary or permanent food stand, special event food stand, mobile food unit, or food  
28.29 cart in Minnesota must submit to the commissioner a \$15 annual statewide education  
28.30 and evaluation fee for each licensed activity. The fee for establishments licensed by  
28.31 the Department of Agriculture is required at the same time the licensure fee is due. For  
28.32 establishments licensed by local governments, the fee shall be collected by the local  
28.33 board of health as described in section 28A.075 and paid to the commissioner by July  
28.34 1 of each year.

29.1 Sec. 38. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
29.2 to read:

29.3 Subd. 12. **Penalties.** The penalty for the late renewal of licenses or for not obtaining  
29.4 a license before conducting business in food handling is 50 percent of the total license fee  
29.5 and additional applicable fees as required under subdivisions 4 to 10.

29.6 Sec. 39. Minnesota Statutes 2014, section 28A.08, is amended by adding a subdivision  
29.7 to read:

29.8 Subd. 13. **Food handler license account; appropriation.** A food handler license  
29.9 fee account is created in the agricultural fund. Fees and penalties paid under this section  
29.10 must be deposited in the food handler license fee account. Money in the account,  
29.11 including interest accrued, is appropriated to the commissioner for the costs of the food  
29.12 handler inspection program.

29.13 Sec. 40. Minnesota Statutes 2014, section 28A.082, subdivision 1, is amended to read:

29.14 Subdivision 1. **Fees; application.** The fees for review of food handler facility floor  
29.15 plans under the Minnesota Food Code are based upon the square footage of the structure  
29.16 being newly constructed, remodeled, or converted. The fees for the review shall be:

29.17	square footage	review fee
29.18	0 - 4,999 .....	\$ <del>200.00</del> <u>600.00</u>
29.19		<del>275.00</del>
29.20	5,000 - 24,999 .....	\$ <del>825.00</del>
29.21		<del>425.00</del>
29.22	25,000 plus.....	\$ <del>1,275.00</del>

29.23 The applicant must submit the required fee, review application, plans, equipment  
29.24 specifications, materials lists, and other required information on forms supplied by the  
29.25 department at least 30 days prior to commencement of construction, remodeling, or  
29.26 conversion. The commissioner may waive this fee after determining that the facility's  
29.27 principal mode of business is not the sale of food and that the facility sells only  
29.28 prepackaged foods.

29.29 Sec. 41. Minnesota Statutes 2014, section 31.39, subdivision 1, is amended to read:

29.30 Subdivision 1. **Assessments.** The commissioner is hereby authorized and directed to  
29.31 collect from each commercial cannery an assessment for inspection and services furnished,  
29.32 and for maintaining a bacteriological laboratory and employing such bacteriologists  
29.33 and trained and qualified sanitarians as the commissioner may deem necessary. The  
29.34 assessment to be made on each commercial cannery, for each and every packing season,

30.1 shall not exceed one-half cent per case on all foods packed, canned, or preserved therein,  
30.2 nor shall the assessment in any one calendar year to any one cannery exceed ~~\$6,000~~  
30.3 \$12,000, and the minimum assessment to any cannery in any one calendar year shall be  
30.4 \$100. The commissioner shall provide appropriate deductions from assessments for the  
30.5 net weight of meat, chicken, or turkey ingredients which have been inspected and passed  
30.6 for wholesomeness by the United States Department of Agriculture. The commissioner  
30.7 may, when the commissioner deems it advisable, graduate and reduce the assessment to  
30.8 such sum as is required to furnish the inspection and laboratory services rendered. The  
30.9 amount of the assessment shall be due and payable on or before December 31, of each  
30.10 year, and if not paid on or before February 15 following, shall bear interest after that date  
30.11 at the rate of seven percent per annum, and a penalty of ten percent on the amount of the  
30.12 assessment shall also be added and collected.

30.13 Sec. 42. Minnesota Statutes 2014, section 32.394, subdivision 8, is amended to read:

30.14 Subd. 8. **Grade A inspection fees.** A processor or marketing organization of milk,  
30.15 milk products, sheep milk, or goat milk who wishes to market Grade A milk or use the  
30.16 Grade A label must apply for Grade A inspection service from the commissioner. A  
30.17 pasteurization plant requesting Grade A inspection service must hold a Grade A permit  
30.18 and pay an annual inspection fee of no more than \$500. For Grade A farm inspection  
30.19 service, the fee must be no more than ~~\$50~~ \$150 per farm, paid annually by the processor  
30.20 or by the marketing organization on behalf of its patrons. For a farm requiring a  
30.21 reinspection in addition to the required biannual inspections, an additional fee must be  
30.22 paid by the processor or by the marketing organization on behalf of its patrons. The fee  
30.23 for reinspection of a farm with fewer than 100 cows is \$60 per reinspection. The fee for  
30.24 reinspection of a farm with 100 or more cows is \$150 per reinspection.

30.25 Sec. 43. Minnesota Statutes 2014, section 32.394, subdivision 8b, is amended to read:

30.26 Subd. 8b. **Manufacturing grade farm certification.** A processor or marketing  
30.27 organization of milk, milk products, sheep milk, or goat milk who wishes to market other  
30.28 than Grade A milk must apply for a manufacturing grade farm certification inspection  
30.29 from the commissioner. A manufacturing plant that pasteurizes milk or milk by-products  
30.30 must pay an annual fee based on the number of pasteurization units. This fee must not  
30.31 exceed \$140 per unit. The fee for farm certification inspection must not be more than ~~\$25~~  
30.32 \$75 per farm to be paid annually by the processor or by the marketing organization on  
30.33 behalf of its patrons. For a farm requiring more than the one inspection for certification, a

31.1 reinspection fee of \$45 must be paid by the processor or by the marketing organization  
31.2 on behalf of its patrons.

31.3 Sec. 44. Minnesota Statutes 2014, section 41B.03, subdivision 6, is amended to read:

31.4 Subd. 6. **Application fee.** The authority may impose a reasonable nonrefundable  
31.5 application fee for each application submitted for a beginning farmer loan or a  
31.6 seller-sponsored loan. The application fee is initially \$50. The authority may review the  
31.7 fee annually and make adjustments as necessary. The fee must be deposited in the state  
31.8 treasury and credited to ~~an account in the special revenue fund. Money in the account is~~  
31.9 ~~appropriated to the commissioner for administrative expenses of the beginning farmer~~  
31.10 ~~and seller-sponsored loan programs~~ the Rural Finance Authority administrative account  
31.11 established in subdivision 7.

31.12 Sec. 45. Minnesota Statutes 2014, section 41B.03, is amended by adding a subdivision  
31.13 to read:

31.14 Subd. 7. **Rural Finance Authority administrative account.** There is established  
31.15 in the special revenue fund a Rural Finance Authority administrative account. Money in  
31.16 the account, including interest, is appropriated to the commissioner for the administrative  
31.17 expenses of the loan programs administered by the Rural Finance Authority.

31.18 Sec. 46. Minnesota Statutes 2014, section 41B.04, subdivision 17, is amended to read:

31.19 Subd. 17. **Application and origination fee.** The authority may impose a reasonable  
31.20 nonrefundable application fee for each application and an origination fee for each loan  
31.21 issued under the loan restructuring program. The origination fee is 1.5 percent of the  
31.22 authority's participation interest in the loan and the application fee is \$50. The authority  
31.23 may review the fees annually and make adjustments as necessary. The fees must be  
31.24 deposited in the state treasury and credited to ~~an account in the special revenue fund.~~  
31.25 ~~Money in the account is appropriated to the commissioner for administrative expenses~~  
31.26 ~~of the loan restructuring program~~ the Rural Finance Authority administrative account  
31.27 established in section 41B.03.

31.28 Sec. 47. Minnesota Statutes 2014, section 41B.043, subdivision 3, is amended to read:

31.29 Subd. 3. **Application and origination fee.** The authority may impose a reasonable  
31.30 nonrefundable application fee for each application submitted for a participation issued  
31.31 under the agricultural improvement loan program. The application fee is initially \$50. The  
31.32 authority may review the fees annually and make adjustments as necessary. The fees must

32.1 be deposited in the state treasury and credited to ~~an account in the special revenue fund.~~  
32.2 ~~Money in this account is appropriated to the commissioner for administrative expenses of~~  
32.3 ~~the agricultural improvement loan program~~ the Rural Finance Authority administrative  
32.4 account established in section 41B.03.

32.5 Sec. 48. Minnesota Statutes 2014, section 41B.045, subdivision 3, is amended to read:

32.6 Subd. 3. **Specifications.** ~~No loan may be made to refinance an existing debt.~~ Each  
32.7 loan participation must be secured by a mortgage on real property and such other security  
32.8 as the authority may require.

32.9 Sec. 49. Minnesota Statutes 2014, section 41B.045, subdivision 4, is amended to read:

32.10 Subd. 4. **Application and origination fee.** The authority may impose a reasonable  
32.11 nonrefundable application fee for each application for a loan participation and an  
32.12 origination fee for each loan issued under the livestock expansion loan program. The  
32.13 origination fee initially shall be set at 1.5 percent and the application fee at \$50. The  
32.14 authority may review the fees annually and make adjustments as necessary. The fees must  
32.15 be deposited in the state treasury and credited to ~~an account in the special revenue fund.~~  
32.16 ~~Money in this account is appropriated to the commissioner for administrative expenses of~~  
32.17 ~~the livestock expansion loan program~~ the Rural Finance Authority administrative account  
32.18 established in section 41B.03.

32.19 Sec. 50. Minnesota Statutes 2014, section 41B.046, subdivision 5, is amended to read:

32.20 Subd. 5. **Loans.** (a) The authority may participate in a stock loan with an eligible  
32.21 lender to a farmer who is eligible under subdivision 4. Participation is limited to 45  
32.22 percent of the principal amount of the loan or \$40,000, whichever is less. The interest  
32.23 rates and repayment terms of the authority's participation interest may differ from the  
32.24 interest rates and repayment terms of the lender's retained portion of the loan, but the  
32.25 authority's interest rate must not exceed 50 percent of the lender's interest rate.

32.26 (b) No more than 95 percent of the purchase price of the stock may be financed  
32.27 under this program.

32.28 (c) Security for stock loans must be the stock purchased, a personal note executed by  
32.29 the borrower, and whatever other security is required by the eligible lender or the authority.

32.30 (d) The authority may impose a reasonable nonrefundable application fee for each  
32.31 application for a stock loan. The authority may review the fee annually and make  
32.32 adjustments as necessary. The application fee is initially \$50. Application fees received



33.1 by the authority must be deposited in the ~~revolving loan account established in section~~  
 33.2 ~~41B.06~~ Rural Finance Authority administrative account established in section 41B.03.

33.3 (e) Stock loans under this program will be made using money in the revolving  
 33.4 loan account established in section 41B.06.

33.5 (f) The authority may not grant stock loans in a cumulative amount exceeding  
 33.6 \$2,000,000 for the financing of stock purchases in any one cooperative.

33.7 (g) Repayments of financial assistance under this section, including principal and  
 33.8 interest, must be deposited into the revolving loan account established in section 41B.06.

33.9 Sec. 51. Minnesota Statutes 2014, section 41B.047, subdivision 1, is amended to read:

33.10 Subdivision 1. **Establishment.** The authority shall establish and implement a  
 33.11 disaster recovery loan program to help farmers:

33.12 (1) clean up, repair, or replace farm structures and septic and water systems, as well  
 33.13 as replace seed, other crop inputs, feed, and livestock, when damaged by high winds,  
 33.14 hail, tornado, or flood; ~~or~~

33.15 (2) purchase watering systems, irrigation systems, and other drought mitigation  
 33.16 systems and practices when drought is the cause of the purchase; or

33.17 (3) restore farmland.

33.18 Sec. 52. Minnesota Statutes 2014, section 41B.047, subdivision 4, is amended to read:

33.19 Subd. 4. **Loans.** (a) The authority may participate in a disaster recovery loan with  
 33.20 an eligible lender to a farmer who is eligible under subdivision 3. Participation is limited  
 33.21 to 45 percent of the principal amount of the loan or \$50,000, whichever is less. The  
 33.22 interest rates and repayment terms of the authority's participation interest may differ from  
 33.23 the interest rates and repayment terms of the lender's retained portion of the loan, but the  
 33.24 authority's interest rate must not exceed four percent.

33.25 (b) Standards for loan amortization shall be set by the Rural Finance Authority  
 33.26 not to exceed ten years.

33.27 (c) Security for the disaster recovery loans must be a personal note executed by the  
 33.28 borrower and whatever other security is required by the eligible lender or the authority.

33.29 (d) The authority may impose a reasonable nonrefundable application fee for a  
 33.30 disaster recovery loan. The authority may review the fee annually and make adjustments  
 33.31 as necessary. The application fee is initially \$50. Application fees received by the  
 33.32 authority must be deposited in the ~~revolving loan account established under section~~  
 33.33 ~~41B.06~~ Rural Finance Authority administrative account established in section 41B.03.

34.1 (e) Disaster recovery loans under this program will be made using money in the  
34.2 revolving loan account established under section 41B.06.

34.3 (f) Repayments of financial assistance under this section, including principal and  
34.4 interest, must be deposited into the revolving loan account established under section  
34.5 41B.06.

34.6 Sec. 53. Minnesota Statutes 2014, section 41B.048, subdivision 6, is amended to read:

34.7 Subd. 6. **Loans.** (a) The authority may disburse loans through a fiscal agent to  
34.8 farmers and agricultural landowners who are eligible under subdivision 5. The total  
34.9 accumulative loan principal must not exceed \$75,000 per loan.

34.10 (b) The fiscal agent may impose a loan origination fee in the amount of one percent  
34.11 of the total approved loan. This fee is to be paid by the borrower to the fiscal agent at  
34.12 the time of loan closing.

34.13 (c) The loan may be disbursed over a period not to exceed 12 years.

34.14 (d) A borrower may receive loans, depending on the availability of funds, for planted  
34.15 areas up to 160 acres for up to:

34.16 (1) the total amount necessary for establishment of the crop;

34.17 (2) the total amount of maintenance costs, including weed control, during the first  
34.18 three years; and

34.19 (3) 70 percent of the estimated value of one year's growth of the crop for years  
34.20 four through 12.

34.21 (e) Security for the loan must be the crop, a personal note executed by the borrower, an  
34.22 interest in the land upon which the crop is growing, and whatever other security is required  
34.23 by the fiscal agent or the authority. All recording fees must be paid by the borrower.

34.24 (f) The authority may prescribe forms and establish an application process for  
34.25 applicants to apply for a loan.

34.26 (g) The authority may impose a reasonable, nonrefundable application fee for each  
34.27 application for a loan under this program. The application fee is initially \$50. Application  
34.28 fees received by the authority must be deposited in the revolving loan account established  
34.29 under section 41B.06 Rural Finance Authority administrative account established in  
34.30 section 41B.03.

34.31 (h) Loans under the program must be made using money in the revolving loan  
34.32 account established under section 41B.06.

34.33 (i) All repayments of financial assistance granted under this section, including  
34.34 principal and interest, must be deposited into the revolving loan account established  
34.35 under section 41B.06.

35.1 (j) The interest payable on loans made by the authority for the agroforestry loan  
35.2 program must, if funded by revenue bond proceeds, be at a rate not less than the rate on the  
35.3 revenue bonds, and may be established at a higher rate necessary to pay costs associated  
35.4 with the issuance of the revenue bonds and a proportionate share of the cost of administering  
35.5 the program. The interest payable on loans for the agroforestry loan program funded from  
35.6 sources other than revenue bond proceeds must be at a rate determined by the authority.

35.7 (k) Loan principal balance outstanding plus all assessed interest must be repaid  
35.8 within 120 days of harvest, but no later than 15 years from planting.

35.9 Sec. 54. Minnesota Statutes 2014, section 41B.049, subdivision 4, is amended to read:

35.10 Subd. 4. **Loans.** (a) The authority may make a direct loan or participate in a loan  
35.11 with an eligible lender to a farmer who is eligible under subdivision 3. Repayment terms  
35.12 of the authority's participation interest may differ from repayment terms of the lender's  
35.13 retained portion of the loan. Loans made under this section must be no-interest loans.

35.14 (b) Application for a direct loan or a loan participation must be made on forms  
35.15 prescribed by the authority.

35.16 (c) Standards for loan amortization shall be set by the Rural Finance Authority  
35.17 not to exceed ten years.

35.18 (d) Security for the loans must be a personal note executed by the borrower and  
35.19 whatever other security is required by the eligible lender or the authority.

35.20 (e) No loan proceeds may be used to refinance a debt existing prior to application.

35.21 (f) The authority may impose a reasonable nonrefundable application fee for  
35.22 each application for a direct loan or a loan participation. The authority may review the  
35.23 application fees annually and make adjustments as necessary. The application fee is  
35.24 initially set at \$100 for a loan under subdivision 1. The fees received by the authority must  
35.25 be deposited in the revolving loan account established in section ~~41B.06~~ Rural Finance  
35.26 Authority administrative account established in section 41B.03.

35.27 Sec. 55. Minnesota Statutes 2014, section 41B.055, subdivision 3, is amended to read:

35.28 Subd. 3. **Loans.** (a) The authority may participate in a livestock equipment loan  
35.29 equal to 90 percent of the purchased equipment value with an eligible lender to a farmer  
35.30 who is eligible under subdivision 2. Participation is limited to 45 percent of the principal  
35.31 amount of the loan or \$40,000, whichever is less. The interest rates and repayment terms  
35.32 of the authority's participation interest may differ from the interest rates and repayment  
35.33 terms of the lender's retained portion of the loan, but the authority's interest rate must

36.1 not exceed three percent. The authority may review the interest annually and make  
36.2 adjustments as necessary.

36.3 (b) Standards for loan amortization must be set by the Rural Finance Authority  
36.4 and must not exceed ten years.

36.5 (c) Security for a livestock equipment loan must be a personal note executed by the  
36.6 borrower and whatever other security is required by the eligible lender or the authority.

36.7 (d) Refinancing of existing debt is not an eligible purpose.

36.8 (e) The authority may impose a reasonable, nonrefundable application fee for  
36.9 a livestock equipment loan. The authority may review the fee annually and make  
36.10 adjustments as necessary. The initial application fee is \$50. Application fees received  
36.11 by the authority must be deposited in the ~~revolving loan account established in section~~  
36.12 41B.06 Rural Finance Authority administrative account established in section 41B.03.

36.13 (f) Loans under this program must be made using money in the revolving loan  
36.14 account established in section 41B.06.

36.15 Sec. 56. Minnesota Statutes 2014, section 41B.056, subdivision 2, is amended to read:

36.16 Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

36.17 (b) "Intermediary" means any lending institution or other organization of a for-profit  
36.18 or nonprofit nature that is in good standing with the state of Minnesota that has the  
36.19 appropriate business structure and trained personnel suitable to providing efficient  
36.20 disbursement of loan funds and the servicing and collection of loans.

36.21 (c) "Specialty crops" means agricultural crops, such as annuals, flowers, perennials,  
36.22 and other horticultural products, that are intensively cultivated.

36.23 (d) "Eligible livestock" means ~~poultry that has been allowed access to the outside,~~  
36.24 ~~sheep, or goats~~ beef cattle, dairy cattle, swine, poultry, goats, mules, farmed cervidae,  
36.25 ratitae, bison, sheep, horses, and llamas.

36.26 Sec. 57. **[41B.057] FARM OPPORTUNITY LOAN PROGRAM.**

36.27 Subdivision 1. Establishment. The commissioner of agriculture shall establish a  
36.28 farm opportunity loan program to provide loans that enable farmers to:

36.29 (1) add value to crops or livestock produced in Minnesota;

36.30 (2) adopt best management practices that emphasize sufficiency and self-sufficiency;

36.31 (3) reduce or improve management of agricultural inputs resulting in environmental  
36.32 improvements; or

36.33 (4) increase production of on-farm energy.

37.1 Subd. 2. **Loan criteria.** (a) The farm opportunity loan program shall provide loans  
37.2 for purchase of new or used equipment and installation of equipment for projects that  
37.3 make environmental improvements and enhance farm profitability. The loan program  
37.4 shall also be used to add value to crops or livestock produced in Minnesota by, but not  
37.5 limited to, initiating or expanding livestock product processing; purchasing equipment to  
37.6 initiate, upgrade, or modernize value-added agricultural businesses; or increasing farmers'  
37.7 processing and aggregating capacity facilitating entry into farm-to-institution and other  
37.8 markets. Eligible loan uses do not include expenses related to seeds, fertilizer, fuel, or  
37.9 other operating expenses.

37.10 (b) The authority may impose a reasonable, nonrefundable application fee for a farm  
37.11 opportunity loan. The authority may review the fee annually and make adjustments as  
37.12 necessary. The initial application fee is \$50. Application fees received by the authority  
37.13 must be deposited in the Rural Finance Authority administrative account established  
37.14 in section 41B.03.

37.15 (c) Loans may only be made to Minnesota residents engaged in farming. Standards  
37.16 for loan amortization must be set by the Rural Finance Authority and must not exceed  
37.17 ten years.

37.18 (d) The borrower must show the ability to repay the loan.

37.19 (e) Refinancing of existing debt is not an eligible expense.

37.20 (f) Loans under this program must be made using money in the revolving loan  
37.21 account established in section 41B.06.

37.22 Subd. 3. **Loan participation.** The authority may participate in a farm opportunity  
37.23 loan with an eligible lender, as defined in section 41B.02, subdivision 8, to a farmer or a  
37.24 group of farmers on joint projects who are eligible under subdivision 2, paragraph (c),  
37.25 and who are actively engaged in farming. Participation is limited to 45 percent of the  
37.26 principal amount of the loan or \$45,000 per individual, whichever is less. For loans to a  
37.27 group made up of four or more individuals, participation is limited to 45 percent of the  
37.28 principal amount of the loan or \$180,000, whichever is less. The interest rate on the  
37.29 loans must not exceed six percent.

37.30 Sec. 58. Minnesota Statutes 2014, section 41B.06, is amended to read:

37.31 **41B.06 RURAL FINANCE AUTHORITY REVOLVING LOAN ACCOUNT.**

37.32 There is established in the rural finance administration fund a Rural Finance  
37.33 Authority revolving loan account that is eligible to receive appropriations and the transfer  
37.34 of loan funds from other programs. All repayments of financial assistance granted from  
37.35 this account, including principal and interest, must be deposited into this account. Interest

38.1 earned on money in the account accrues to the account, and the money in the account is  
38.2 appropriated to the commissioner of agriculture for purposes of the Rural Finance Authority  
38.3 livestock equipment, methane digester, disaster recovery, value-added agricultural  
38.4 product, agroforestry, ~~and agricultural microloan~~, and farm opportunity loan programs,  
38.5 including costs incurred by the authority to establish and administer the programs.

38.6 Sec. 59. Minnesota Statutes 2014, section 500.24, subdivision 4, is amended to read:

38.7 Subd. 4. **Reports.** (a) The chief executive officer of every pension or investment  
38.8 fund, corporation, limited partnership, limited liability company, or entity that is seeking  
38.9 to qualify for an exemption from the commissioner, and the trustee of a family farm trust  
38.10 that holds any interest in agricultural land or land used for the breeding, feeding, pasturing,  
38.11 growing, or raising of livestock, dairy or poultry, or products thereof, or land used for  
38.12 the production of agricultural crops or fruit or other horticultural products, other than a  
38.13 bona fide encumbrance taken for purposes of security, or which is engaged in farming  
38.14 or proposing to commence farming in this state after May 20, 1973, shall file with the  
38.15 commissioner a report containing the following information and documents:

38.16 (1) the name of the pension or investment fund, corporation, limited partnership, or  
38.17 limited liability company and its place of incorporation, certification, or registration;

38.18 (2) the address of the pension or investment plan headquarters or of the registered  
38.19 office of the corporation in this state, the name and address of its registered agent in this state  
38.20 and, in the case of a foreign corporation, limited partnership, or limited liability company,  
38.21 the address of its principal office in its place of incorporation, certification, or registration;

38.22 (3) the acreage and location listed by quarter-quarter section, township, and county  
38.23 of each lot or parcel of agricultural land or land used for the keeping or feeding of poultry  
38.24 in this state owned or leased by the pension or investment fund, limited partnership,  
38.25 corporation, or limited liability company;

38.26 (4) the names and addresses of the officers, administrators, directors, or trustees of  
38.27 the pension or investment fund, or of the officers, shareholders owning more than ten  
38.28 percent of the stock, including the percent of stock owned by each such shareholder, the  
38.29 members of the board of directors of the corporation, and the members of the limited  
38.30 liability company, and the general and limited partners and the percentage of interest in  
38.31 the partnership by each partner;

38.32 (5) the farm products which the pension or investment fund, limited partnership,  
38.33 corporation, or limited liability company produces or intends to produce on its agricultural  
38.34 land;

39.1 (6) with the first report, a copy of the title to the property where the farming operations  
39.2 are or will occur indicating the particular exception claimed under subdivision 3; and

39.3 (7) with the first or second report, a copy of the conservation plan proposed by the  
39.4 soil and water conservation district, and with subsequent reports a statement of whether  
39.5 the conservation plan was implemented.

39.6 The report of a corporation, trust, limited liability company, or partnership seeking  
39.7 to qualify hereunder as a family farm corporation, an authorized farm corporation, an  
39.8 authorized livestock farm corporation, a family farm partnership, an authorized farm  
39.9 partnership, a family farm limited liability company, an authorized farm limited liability  
39.10 company, or a family farm trust or under an exemption from the commissioner shall  
39.11 contain the following additional information: the number of shares, partnership interests,  
39.12 or governance and financial rights owned by persons or current beneficiaries of a family  
39.13 farm trust residing on the farm or actively engaged in farming, or their relatives within  
39.14 the third degree of kindred according to the rules of the civil law or their spouses; the  
39.15 name, address, and number of shares owned by each shareholder, partnership interests  
39.16 owned by each partner or governance and financial rights owned by each member, and a  
39.17 statement as to percentage of gross receipts of the corporation derived from rent, royalties,  
39.18 dividends, interest, and annuities. No pension or investment fund, limited partnership,  
39.19 corporation, or limited liability company shall commence farming in this state until the  
39.20 commissioner has inspected the report and certified that its proposed operations comply  
39.21 with the provisions of this section.

39.22 (b) Every pension or investment fund, limited partnership, trust, corporation, or  
39.23 limited liability company as described in paragraph (a) shall, prior to April 15 of each  
39.24 year, file with the commissioner a report containing the information required in paragraph  
39.25 (a), based on its operations in the preceding calendar year and its status at the end of the  
39.26 year. A pension or investment fund, limited partnership, corporation, or limited liability  
39.27 company that does not file the report by April 15 must pay a \$500 civil penalty. The  
39.28 penalty is a lien on the land being farmed under subdivision 3 until the penalty is paid.

39.29 (c) The commissioner may, for good cause shown, issue a written waiver or  
39.30 reduction of the civil penalty for failure to make a timely filing of the annual report  
39.31 required by this subdivision. The waiver or reduction is final and conclusive with respect  
39.32 to the civil penalty, and may not be reopened or modified by an officer, employee, or  
39.33 agent of the state, except upon a showing of fraud or malfeasance or misrepresentation  
39.34 of a material fact. The report required under paragraph (b) must be completed prior to a  
39.35 reduction or waiver under this paragraph. The commissioner may enter into an agreement  
39.36 under this paragraph only once for each corporation or partnership.

40.1 (d) All reports required by paragraph (a) shall include a filing fee of \$15. The fee  
 40.2 must be deposited in the state treasury and credited to an account in the special revenue  
 40.3 fund. Money in the account, including interest, is appropriated to the commissioner for  
 40.4 the administrative expenses of this section.

40.5 ~~(d)~~ (e) Failure to file a required report or the willful filing of false information is a  
 40.6 gross misdemeanor.

40.7 **Sec. 60. BALANCES TRANSFERRED; ACCOUNTS ABOLISHED.**

40.8 The balances in the accounts created under sections 41B.03, subdivision 6; 41B.04,  
 40.9 subdivision 17; 41B.043, subdivision 3; and 41B.045, subdivision 4, are transferred to  
 40.10 the Rural Finance Authority administrative account established under section 41B.03,  
 40.11 subdivision 7, and the original accounts are abolished.

40.12 The balance in the account created under section 17.115 is transferred to the Rural  
 40.13 Finance Authority revolving loan account established under section 41B.06, and the  
 40.14 original account is abolished.

40.15 **Sec. 61. REPEALER.**

40.16 Minnesota Statutes 2014, sections 17.115; 28A.08, subdivision 3; and 41A.12,  
 40.17 subdivision 4, are repealed.

40.18 **ARTICLE 3**

40.19 **ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS**

40.20 Section 1. **ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS.**

40.21 The sums shown in the columns marked "Appropriations" are appropriated to the  
 40.22 agencies and for the purposes specified in this article. The appropriations are from the  
 40.23 general fund, or another named fund, and are available for the fiscal years indicated  
 40.24 for each purpose. The figures "2016" and "2017" used in this article mean that the  
 40.25 appropriations listed under them are available for the fiscal year ending June 30, 2016, or  
 40.26 June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal  
 40.27 year 2017. "The biennium" is fiscal years 2016 and 2017. Appropriations for the fiscal  
 40.28 year ending June 30, 2015, are effective the day following final enactment.

	<b><u>APPROPRIATIONS</u></b>	
	<b><u>Available for the Year</u></b>	
	<b><u>Ending June 30</u></b>	
	<b><u>2016</u></b>	<b><u>2017</u></b>



41.1 Sec. 2. POLLUTION CONTROL AGENCY

41.2 Subdivision 1. Total Appropriation \$ 92,087,000 \$ 93,615,000

41.3 Appropriations by Fund

41.4		<u>2016</u>	<u>2017</u>
41.5	<u>General</u>	<u>6,468,000</u>	<u>6,758,000</u>
41.6	<u>State Government</u>		
41.7	<u>Special Revenue</u>	<u>75,000</u>	<u>75,000</u>
41.8	<u>Environmental</u>	<u>73,930,000</u>	<u>74,998,000</u>
41.9	<u>Remediation</u>	<u>11,614,000</u>	<u>11,784,000</u>

41.10 The amounts that may be spent for each  
41.11 purpose are specified in the following  
41.12 subdivisions.

41.13 Subd. 2. Water 25,838,000 26,231,000

41.14 Appropriations by Fund

41.15		<u>2016</u>	<u>2017</u>
41.16	<u>General</u>	<u>3,757,000</u>	<u>3,777,000</u>
41.17	<u>State Government</u>		
41.18	<u>Special Revenue</u>	<u>75,000</u>	<u>75,000</u>
41.19	<u>Environmental</u>	<u>22,006,000</u>	<u>22,379,000</u>

41.20 \$1,959,000 the first year and \$1,959,000  
41.21 the second year are for grants to delegated  
41.22 counties to administer the county feedlot  
41.23 program under Minnesota Statutes, section  
41.24 116.0711, subdivisions 2 and 3. Money  
41.25 remaining after the first year is available for  
41.26 the second year.

41.27 \$753,000 the first year and \$765,000 the  
41.28 second year are from the environmental  
41.29 fund to address the need for continued  
41.30 increased activity in the areas of new  
41.31 technology review, technical assistance  
41.32 for local governments, and enforcement  
41.33 under Minnesota Statutes, sections 115.55  
41.34 to 115.58, and to complete the requirements  
41.35 of Laws 2003, chapter 128, article 1, section  
41.36 165.

42.1 \$400,000 the first year and \$400,000  
42.2 the second year are for the clean water  
42.3 partnership program. Any unexpended  
42.4 balance in the first year does not cancel but  
42.5 is available in the second year. Priority shall  
42.6 be given to projects preventing impairments  
42.7 and degradation of lakes, rivers, streams,  
42.8 and groundwater according to Minnesota  
42.9 Statutes, section 114D.20, subdivision 2,  
42.10 clause (4).

42.11 \$673,000 the first year and \$683,000 the  
42.12 second year are from the environmental  
42.13 fund for subsurface sewage treatment  
42.14 system (SSTS) program administration  
42.15 and community technical assistance and  
42.16 education, including grants and technical  
42.17 assistance to communities for water quality  
42.18 protection. Of this amount, \$129,000 each  
42.19 year is for assistance to counties through  
42.20 grants for SSTS program administration.

42.21 A county receiving a grant from this  
42.22 appropriation shall submit the results  
42.23 achieved with the grant to the commissioner  
42.24 as part of its annual SSTS report. Any  
42.25 unexpended balance in the first year does not  
42.26 cancel but is available in the second year.

42.27 \$107,000 the first year and \$109,000 the  
42.28 second year are from the environmental fund  
42.29 for registration of wastewater laboratories.

42.30 Notwithstanding Minnesota Statutes, section  
42.31 16A.28, the appropriations encumbered on or  
42.32 before June 30, 2017, as grants or contracts  
42.33 for SSTS's, surface water and groundwater  
42.34 assessments, total maximum daily loads,  
42.35 storm water, and water quality protection in

43.1 this subdivision are available until June 30,  
43.2 2020.

43.3 Subd. 3. Air 15,640,000 16,087,000

43.4	<u>Appropriations by Fund</u>	
43.5	<u>2016</u>	<u>2017</u>
43.6	<u>Environmental</u> <u>15,640,000</u>	<u>16,087,000</u>

43.7 \$202,000 the first year and \$204,000 the  
43.8 second year are from the environmental fund  
43.9 for a monitoring program under Minnesota  
43.10 Statutes, section 116.454.

43.11 Up to \$150,000 the first year and \$150,000  
43.12 the second year may be transferred from the  
43.13 environmental fund to the small business  
43.14 environmental improvement loan account  
43.15 established in Minnesota Statutes, section  
43.16 116.993.

43.17 \$126,000 the first year and \$127,000 the  
43.18 second year are from the environmental fund  
43.19 for monitoring ambient air for hazardous  
43.20 pollutants in the metropolitan area.

43.21 \$214,000 the first year and \$219,000 the  
43.22 second year are from the environmental  
43.23 fund for systematic, localized monitoring  
43.24 efforts in the state that sample ambient air  
43.25 to determine whether significant localized  
43.26 differences exist. The commissioner, when  
43.27 selecting areas to monitor, shall give priority  
43.28 to areas where low income, indigenous  
43.29 American Indians, and communities of  
43.30 color are disproportionately impacted by  
43.31 pollution from highway traffic, air traffic,  
43.32 and industrial sources.

43.33 \$691,000 the first year and \$693,000 the  
43.34 second year are from the environmental  
43.35 fund for emission reduction activities and

44.1 grants to small businesses and other nonpoint  
 44.2 emission reduction efforts. Any unexpended  
 44.3 balance in the first year does not cancel but is  
 44.4 available in the second year.

44.5 Subd. 4. Land 18,645,000 18,934,000

44.6	<u>Appropriations by Fund</u>	
44.7	<u>2016</u>	<u>2017</u>
44.8	<u>Environmental</u>	<u>7,031,000</u>
44.9	<u>Remediation</u>	<u>11,614,000</u>

44.10 All money for environmental response,  
 44.11 compensation, and compliance in the  
 44.12 remediation fund not otherwise appropriated  
 44.13 is appropriated to the commissioners of the  
 44.14 Pollution Control Agency and agriculture  
 44.15 for purposes of Minnesota Statutes, section  
 44.16 115B.20, subdivision 2, clauses (1), (2),  
 44.17 (3), (6), and (7). At the beginning of each  
 44.18 fiscal year, the two commissioners shall  
 44.19 jointly submit an annual spending plan  
 44.20 to the commissioner of management and  
 44.21 budget that maximizes the utilization of  
 44.22 resources and appropriately allocates the  
 44.23 money between the two departments. This  
 44.24 appropriation is available until June 30, 2017.

44.25 \$4,279,000 the first year and \$4,343,000 the  
 44.26 second year are from the remediation fund  
 44.27 for purposes of the leaking underground  
 44.28 storage tank program to investigate, clean up,  
 44.29 and prevent future releases from underground  
 44.30 petroleum storage tanks, and to the petroleum  
 44.31 remediation program for purposes of vapor  
 44.32 assessment and remediation. These same  
 44.33 annual amounts are transferred from the  
 44.34 petroleum tank fund to the remediation fund.

45.1 \$252,000 the first year and \$252,000 the  
 45.2 second year are from the remediation fund  
 45.3 for transfer to the commissioner of health for  
 45.4 private water supply monitoring and health  
 45.5 assessment costs in areas contaminated  
 45.6 by unpermitted mixed municipal solid  
 45.7 waste disposal facilities and drinking water  
 45.8 advisories and public information activities  
 45.9 for areas contaminated by hazardous releases.

45.10 **Subd. 5. Environmental Assistance and**  
 45.11 **Cross-Media**

31,964,000

32,363,000

45.12	<u>Appropriations by Fund</u>	
45.13	<u>2016</u>	<u>2017</u>
45.14	<u>29,253,000</u>	<u>29,382,000</u>
45.15	<u>2,711,000</u>	<u>2,981,000</u>

45.16 \$17,250,000 the first year and \$17,250,000  
 45.17 the second year are from the environmental  
 45.18 fund for SCORE block grants to counties.

45.19 \$119,000 the first year and \$119,000 the  
 45.20 second year are from the environmental  
 45.21 fund for environmental assistance grants  
 45.22 or loans under Minnesota Statutes, section  
 45.23 115A.0716. Any unencumbered grant and  
 45.24 loan balances in the first year do not cancel  
 45.25 but are available for grants and loans in the  
 45.26 second year.

45.27 \$90,000 the first year and \$90,000 the  
 45.28 second year are from the environmental fund  
 45.29 for duties related to harmful chemicals in  
 45.30 products under Minnesota Statutes, sections  
 45.31 116.9401 to 116.9407. Of this amount,  
 45.32 \$57,000 each year is transferred to the  
 45.33 commissioner of health.

45.34 \$203,000 the first year and \$207,000 the  
 45.35 second year are from the environmental

46.1 fund for the costs of implementing general  
46.2 operating permits for feedlots over 1,000  
46.3 animal units.

46.4 \$566,000 the first year and \$579,000 the  
46.5 second year are from the general fund and  
46.6 \$192,000 the first year and \$192,000 the  
46.7 second year are from the environmental fund  
46.8 for Environmental Quality Board operations  
46.9 and support.

46.10 \$500,000 the first year from the general  
46.11 fund is a onetime appropriation to  
46.12 the Environmental Quality Board for  
46.13 development of a Web-based environmental  
46.14 review tool.

46.15 \$50,000 the first year and \$50,000 the second  
46.16 year are from the environmental fund for  
46.17 transfer to the Office of Administrative  
46.18 Hearings to establish sanitary districts.

46.19 \$503,000 the first year and \$507,000 the  
46.20 second year are from the general fund for  
46.21 the Environmental Quality Board to lead  
46.22 an interagency team to provide technical  
46.23 assistance regarding the mining, processing,  
46.24 and transporting of silica sand.

46.25 \$900,000 the first year and \$900,000 the  
46.26 second year are from the environmental fund  
46.27 to develop and maintain systems to support  
46.28 permitting and regulatory business processes  
46.29 and agency data.

46.30 \$380,000 the first year and \$855,000 the  
46.31 second year are from the general fund  
46.32 for transfer to the Office of the Revisor  
46.33 of Statutes to develop and maintain a  
46.34 Web-based rulemaking system. The base  
46.35 in fiscal year 2018 and fiscal year 2019 is

47.1 \$430,000 from the general fund for transfer  
 47.2 to the Office of the Revisor of Statutes.  
 47.3 \$543,000 the first year and \$826,000 the  
 47.4 second year are from the general fund to  
 47.5 enhance awareness of and reduce priority  
 47.6 chemicals in consumer products. Of this  
 47.7 amount, \$104,000 the first year and \$124,000  
 47.8 the second year are for transfer to the  
 47.9 Department of Commerce and \$104,000 the  
 47.10 first year and \$104,000 the second year are  
 47.11 for transfer to the Department of Health.  
 47.12 This is a onetime appropriation from the  
 47.13 general fund.

47.14 All money deposited in the environmental  
 47.15 fund for the metropolitan solid waste  
 47.16 landfill fee in accordance with Minnesota  
 47.17 Statutes, section 473.843, and not otherwise  
 47.18 appropriated, is appropriated for the purposes  
 47.19 of Minnesota Statutes, section 473.844.

47.20 Notwithstanding Minnesota Statutes, section  
 47.21 16A.28, the appropriations encumbered on  
 47.22 or before June 30, 2017, as contracts or  
 47.23 grants for surface water and groundwater  
 47.24 assessments; environmental assistance  
 47.25 awarded under Minnesota Statutes, section  
 47.26 115A.0716; technical and research assistance  
 47.27 under Minnesota Statutes, section 115A.152;  
 47.28 technical assistance under Minnesota  
 47.29 Statutes, section 115A.52; and pollution  
 47.30 prevention assistance under Minnesota  
 47.31 Statutes, section 115D.04, are available until  
 47.32 June 30, 2019.

47.33 **Sec. 3. NATURAL RESOURCES**

47.34 **Subdivision 1. Total Appropriation                    \$     262,250,000 \$     263,798,000**

48.1	<u>Appropriations by Fund</u>	
48.2	<u>2016</u>	<u>2017</u>
48.3	<u>General</u>	<u>74,245,000</u> <u>74,307,000</u>
48.4	<u>Natural Resources</u>	<u>85,973,000</u> <u>86,933,000</u>
48.5	<u>Game and Fish</u>	<u>101,732,000</u> <u>102,258,000</u>
48.6	<u>Remediation</u>	<u>100,000</u> <u>100,000</u>
48.7	<u>Permanent School</u>	<u>200,000</u> <u>200,000</u>

48.8 The amounts that may be spent for each  
 48.9 purpose are specified in the following  
 48.10 subdivisions.

48.11 **Subd. 2. Land and Mineral Resources**  
 48.12 **Management**

5,451,000

5,521,000

48.13	<u>Appropriations by Fund</u>	
48.14	<u>2016</u>	<u>2017</u>
48.15	<u>General</u>	<u>1,575,000</u> <u>1,585,000</u>
48.16	<u>Natural Resources</u>	<u>3,332,000</u> <u>3,392,000</u>
48.17	<u>Game and Fish</u>	<u>344,000</u> <u>344,000</u>
48.18	<u>Permanent School</u>	<u>200,000</u> <u>200,000</u>

48.19 \$68,000 the first year and \$68,000 the  
 48.20 second year are for minerals cooperative  
 48.21 environmental research, of which \$34,000  
 48.22 the first year and \$34,000 the second year are  
 48.23 available only as matched by \$1 of nonstate  
 48.24 money for each \$1 of state money. The  
 48.25 match may be cash or in-kind.

48.26 \$251,000 the first year and \$251,000 the  
 48.27 second year are for iron ore cooperative  
 48.28 research. Of this amount, \$200,000 each year  
 48.29 is from the minerals management account  
 48.30 in the natural resources fund. \$175,000 the  
 48.31 first year and \$175,000 the second year are  
 48.32 available only as matched by \$1 of nonstate  
 48.33 money for each \$1 of state money. The match  
 48.34 may be cash or in-kind. Any unencumbered  
 48.35 balance from the first year does not cancel  
 48.36 and is available in the second year.



49.1 \$2,755,000 the first year and \$2,815,000  
 49.2 the second year are from the minerals  
 49.3 management account in the natural resources  
 49.4 fund for use as provided in Minnesota  
 49.5 Statutes, section 93.2236, paragraph (c),  
 49.6 for mineral resource management, projects  
 49.7 to enhance future mineral income, and  
 49.8 projects to promote new mineral resource  
 49.9 opportunities.

49.10 \$200,000 the first year and \$200,000 the  
 49.11 second year are from the state forest suspense  
 49.12 account in the permanent school fund to  
 49.13 accelerate land exchanges, land sales, and  
 49.14 commercial leasing of school trust lands and  
 49.15 to identify, evaluate, and lease construction  
 49.16 aggregate located on school trust lands. This  
 49.17 appropriation is to be used for securing  
 49.18 long-term economic return from the  
 49.19 school trust lands consistent with fiduciary  
 49.20 responsibilities and sound natural resources  
 49.21 conservation and management principles.

49.22 Subd. 3. **Ecological and Water Resources** 33,155,000 33,443,000

49.23	<u>Appropriations by Fund</u>	
49.24	<u>2016</u>	<u>2017</u>
49.25	<u>General</u>	<u>16,920,000</u> <u>17,025,000</u>
49.26	<u>Natural Resources</u>	<u>11,445,000</u> <u>11,504,000</u>
49.27	<u>Game and Fish</u>	<u>4,790,000</u> <u>4,914,000</u>

49.28 \$4,200,000 the first year and \$4,200,000 the  
 49.29 second year are from the invasive species  
 49.30 account in the natural resources fund and  
 49.31 \$3,206,000 the first year and \$3,206,000 the  
 49.32 second year are from the general fund for  
 49.33 management, public awareness, assessment  
 49.34 and monitoring research, and water access  
 49.35 inspection to prevent the spread of invasive  
 49.36 species; management of invasive plants in

50.1 public waters; and management of terrestrial  
50.2 invasive species on state-administered lands.

50.3 \$5,000,000 the first year and \$5,000,000 the  
50.4 second year are from the water management  
50.5 account in the natural resources fund for only  
50.6 the purposes specified in Minnesota Statutes,  
50.7 section 103G.27, subdivision 2.

50.8 \$103,000 the first year and \$103,000 the  
50.9 second year are for a grant to the Mississippi  
50.10 Headwaters Board for up to 50 percent of  
50.11 the cost of implementing the comprehensive  
50.12 plan for the upper Mississippi within areas  
50.13 under the board's jurisdiction.

50.14 \$10,000 the first year and \$10,000 the second  
50.15 year are for payment to the Leech Lake Band  
50.16 of Chippewa Indians to implement the band's  
50.17 portion of the comprehensive plan for the  
50.18 upper Mississippi.

50.19 \$264,000 the first year and \$264,000 the  
50.20 second year are for grants for up to 50  
50.21 percent of the cost of implementation of the  
50.22 Red River mediation agreement.

50.23 \$2,393,000 the first year and \$2,393,000  
50.24 the second year are from the heritage  
50.25 enhancement account in the game and  
50.26 fish fund for only the purposes specified  
50.27 in Minnesota Statutes, section 297A.94,  
50.28 paragraph (e), clause (1).

50.29 \$950,000 the first year and \$950,000 the  
50.30 second year are from the nongame wildlife  
50.31 management account in the natural resources  
50.32 fund for the purpose of nongame wildlife  
50.33 management. Notwithstanding Minnesota  
50.34 Statutes, section 290.431, \$100,000 the first  
50.35 year and \$100,000 the second year may

51.1 be used for nongame wildlife information,  
 51.2 education, and promotion.

51.3 \$6,000,000 the first year and \$6,000,000 the  
 51.4 second year are from the general fund for the  
 51.5 following activities:

51.6 (1) financial reimbursement and technical  
 51.7 support to soil and water conservation  
 51.8 districts or other local units of government  
 51.9 for groundwater level monitoring;

51.10 (2) surface water monitoring and analysis,  
 51.11 including installation of monitoring gauges;

51.12 (3) groundwater analysis to assist with water  
 51.13 appropriation permitting decisions;

51.14 (4) permit application review incorporating  
 51.15 surface water and groundwater technical  
 51.16 analysis;

51.17 (5) precipitation data and analysis to improve  
 51.18 the use of irrigation;

51.19 (6) information technology, including  
 51.20 electronic permitting and integrated data  
 51.21 systems; and

51.22 (7) compliance and monitoring.

51.23 **Subd. 4. Forest Management** 38,656,000 39,060,000

	<u>Appropriations by Fund</u>	
	<u>2016</u>	<u>2017</u>
51.25 <u>General</u>	<u>26,246,000</u>	<u>26,650,000</u>
51.26 <u>Natural Resources</u>	<u>11,123,000</u>	<u>11,123,000</u>
51.27 <u>Game and Fish</u>	<u>1,287,000</u>	<u>1,287,000</u>

51.29 \$7,145,000 the first year and \$7,145,000  
 51.30 the second year are for prevention,  
 51.31 presuppression, and suppression costs of  
 51.32 emergency firefighting and other costs  
 51.33 incurred under Minnesota Statutes, section  
 51.34 88.12. The amount necessary to pay for

52.1 presuppression and suppression costs during  
52.2 the biennium is appropriated from the general  
52.3 fund.

52.4 By January 15 of each year, the commissioner  
52.5 of natural resources shall submit a report to  
52.6 the chairs and ranking minority members  
52.7 of the house and senate committees  
52.8 and divisions having jurisdiction over  
52.9 environment and natural resources finance,  
52.10 identifying all firefighting costs incurred  
52.11 and reimbursements received in the prior  
52.12 fiscal year. These appropriations may  
52.13 not be transferred. Any reimbursement  
52.14 of firefighting expenditures made to the  
52.15 commissioner from any source other than  
52.16 federal mobilizations shall be deposited into  
52.17 the general fund.

52.18 \$11,123,000 the first year and \$11,123,000  
52.19 the second year are from the forest  
52.20 management investment account in the  
52.21 natural resources fund for only the purposes  
52.22 specified in Minnesota Statutes, section  
52.23 89.039, subdivision 2.

52.24 \$1,287,000 the first year and \$1,287,000  
52.25 the second year are from the heritage  
52.26 enhancement account in the game and fish  
52.27 fund to advance ecological classification  
52.28 systems (ECS) scientific management tools  
52.29 for forest and invasive species management.

52.30 This appropriation is from revenue deposited  
52.31 in the game and fish fund under Minnesota  
52.32 Statutes, section 297A.94, paragraph (e),  
52.33 clause (1).

52.34 \$580,000 the first year and \$580,000 the  
52.35 second year are for the Forest Resources

53.1 Council for implementation of the  
 53.2 Sustainable Forest Resources Act.

53.3 \$250,000 the first year and \$250,000 the  
 53.4 second year are for the FORIST system.

53.5 Subd. 5. **Parks and Trails Management** 73,273,000 74,025,000

53.6	<u>Appropriations by Fund</u>	
53.7	<u>2016</u>	<u>2017</u>
53.8	<u>General</u>	<u>23,577,000</u> <u>23,777,000</u>
53.9	<u>Natural Resources</u>	<u>47,430,000</u> <u>47,975,000</u>
53.10	<u>Game and Fish</u>	<u>2,266,000</u> <u>2,273,000</u>

53.11 \$1,075,000 the first year and \$1,075,000 the  
 53.12 second year are from the water recreation  
 53.13 account in the natural resources fund for  
 53.14 enhancing public water access facilities.

53.15 \$5,740,000 the first year and \$5,740,000 the  
 53.16 second year are from the natural resources  
 53.17 fund for state trail, park, and recreation area  
 53.18 operations. This appropriation is from the  
 53.19 revenue deposited in the natural resources  
 53.20 fund under Minnesota Statutes, section  
 53.21 297A.94, paragraph (e), clause (2).

53.22 \$1,005,000 the first year and \$1,005,000 the  
 53.23 second year are from the natural resources  
 53.24 fund for park and trail grants to local units of  
 53.25 government on land to be maintained for at  
 53.26 least 20 years for the purposes of the grants.  
 53.27 This appropriation is from the revenue  
 53.28 deposited in the natural resources fund  
 53.29 under Minnesota Statutes, section 297A.94,  
 53.30 paragraph (e), clause (4). Any unencumbered  
 53.31 balance does not cancel at the end of the first  
 53.32 year and is available for the second year.

53.33 \$8,424,000 the first year and \$8,424,000  
 53.34 the second year are from the snowmobile  
 53.35 trails and enforcement account in the

54.1 natural resources fund for the snowmobile  
 54.2 grants-in-aid program. Any unencumbered  
 54.3 balance does not cancel at the end of the first  
 54.4 year and is available for the second year.  
 54.5 \$1,460,000 the first year and \$1,460,000 the  
 54.6 second year are from the natural resources  
 54.7 fund for the off-highway vehicle grants-in-aid  
 54.8 program. Of this amount, \$1,210,000 each  
 54.9 year is from the all-terrain vehicle account;  
 54.10 \$150,000 each year is from the off-highway  
 54.11 motorcycle account; and \$100,000 each year  
 54.12 is from the off-road vehicle account. Any  
 54.13 unencumbered balance does not cancel at the  
 54.14 end of the first year and is available for the  
 54.15 second year.  
 54.16 \$75,000 the first year and \$75,000 the second  
 54.17 year are from the cross-country ski account  
 54.18 in the natural resources fund for grooming  
 54.19 and maintaining cross-country ski trails in  
 54.20 state parks, trails, and recreation areas.  
 54.21 \$250,000 the first year and \$250,000 the  
 54.22 second year are from the state land and  
 54.23 water conservation account (LAWCON)  
 54.24 in the natural resources fund for priorities  
 54.25 established by the commissioner for eligible  
 54.26 state projects and administrative and  
 54.27 planning activities consistent with Minnesota  
 54.28 Statutes, section 84.0264, and the federal  
 54.29 Land and Water Conservation Fund Act.  
 54.30 Any unencumbered balance does not cancel  
 54.31 at the end of the first year and is available for  
 54.32 the second year.  
 54.33 The base for parks and trails operations in  
 54.34 fiscal year 2018 and thereafter is \$47,750,000.  
 54.35 **Subd. 6. Fish and Wildlife Management**

70,820,000

71,503,000

55.1	<u>Appropriations by Fund</u>		
55.2		<u>2016</u>	<u>2017</u>
55.3	<u>Natural Resources</u>	<u>1,908,000</u>	<u>1,912,000</u>
55.4	<u>Game and Fish</u>	<u>68,912,000</u>	<u>69,591,000</u>
55.5	<u>\$8,167,000 the first year and \$8,167,000</u>		
55.6	<u>the second year are from the heritage</u>		
55.7	<u>enhancement account in the game and fish</u>		
55.8	<u>fund only for activities specified in Minnesota</u>		
55.9	<u>Statutes, section 297A.94, paragraph (e),</u>		
55.10	<u>clause (1). Notwithstanding Minnesota</u>		
55.11	<u>Statutes, section 297A.94, five percent of</u>		
55.12	<u>this appropriation may be used for expanding</u>		
55.13	<u>hunter and angler recruitment and retention.</u>		
55.14	<u>Notwithstanding Minnesota Statutes, section</u>		
55.15	<u>84.943, \$13,000 the first year and \$13,000</u>		
55.16	<u>the second year from the critical habitat</u>		
55.17	<u>private sector matching account may be used</u>		
55.18	<u>to publicize the critical habitat license plate</u>		
55.19	<u>match program.</u>		
55.20	<u>The game and fish fund base for fish and</u>		
55.21	<u>wildlife management in fiscal year 2018 and</u>		
55.22	<u>thereafter is \$66,409,000.</u>		
55.23	<u>Subd. 7. <b>Enforcement</b></u>	<u>39,575,000</u>	<u>38,926,000</u>

55.24	<u>Appropriations by Fund</u>		
55.25		<u>2016</u>	<u>2017</u>
55.26	<u>General</u>	<u>4,927,000</u>	<u>4,270,000</u>
55.27	<u>Natural Resources</u>	<u>10,415,000</u>	<u>10,707,000</u>
55.28	<u>Game and Fish</u>	<u>24,133,000</u>	<u>23,849,000</u>
55.29	<u>Remediation</u>	<u>100,000</u>	<u>100,000</u>
55.30	<u>\$870,000 the first year and \$130,000 the</u>		
55.31	<u>second year from the general fund and</u>		
55.32	<u>\$1,330,000 the first year and \$220,000 the</u>		
55.33	<u>second year from the game and fish fund are</u>		
55.34	<u>for aviation services. This appropriation is</u>		
55.35	<u>onetime.</u>		

56.1 \$1,718,000 the first year and \$1,718,000 the  
56.2 second year are from the general fund for  
56.3 enforcement efforts to prevent the spread of  
56.4 aquatic invasive species.

56.5 \$1,537,000 the first year and \$1,580,000  
56.6 the second year are from the heritage  
56.7 enhancement account in the game and  
56.8 fish fund for only the purposes specified  
56.9 in Minnesota Statutes, section 297A.94,  
56.10 paragraph (e), clause (1). The base for these  
56.11 purposes in fiscal year 2018 and thereafter is  
56.12 \$1,590,000.

56.13 \$1,082,000 the first year and \$1,082,000 the  
56.14 second year are from the water recreation  
56.15 account in the natural resources fund for  
56.16 grants to counties for boat and water safety.

56.17 Any unencumbered balance does not cancel  
56.18 at the end of the first year and is available for  
56.19 the second year.

56.20 \$315,000 the first year and \$315,000 the  
56.21 second year are from the snowmobile  
56.22 trails and enforcement account in the  
56.23 natural resources fund for grants to local  
56.24 law enforcement agencies for snowmobile  
56.25 enforcement activities. Any unencumbered  
56.26 balance does not cancel at the end of the first  
56.27 year and is available for the second year.

56.28 \$250,000 the first year and \$250,000 the  
56.29 second year are from the all-terrain vehicle  
56.30 account for grants to qualifying organizations  
56.31 to assist in safety and environmental  
56.32 education and monitoring trails on public  
56.33 lands under Minnesota Statutes, section  
56.34 84.9011. Grants issued under this paragraph:  
56.35 (1) must be issued through a formal



57.1 agreement with the organization; and  
57.2 (2) must not be used as a substitute for  
57.3 traditional spending by the organization.  
57.4 By December 15 each year, an organization  
57.5 receiving a grant under this paragraph shall  
57.6 report to the commissioner with details on  
57.7 expenditures and outcomes from the grant.  
57.8 Of this appropriation, \$25,000 each year  
57.9 is for administration of these grants. Any  
57.10 unencumbered balance does not cancel at the  
57.11 end of the first year and is available for the  
57.12 second year.  
57.13 \$510,000 the first year and \$510,000  
57.14 the second year are from the natural  
57.15 resources fund for grants to county law  
57.16 enforcement agencies for off-highway  
57.17 vehicle enforcement and public education  
57.18 activities based on off-highway vehicle use  
57.19 in the county. Of this amount, \$498,000 each  
57.20 year is from the all-terrain vehicle account;  
57.21 \$11,000 each year is from the off-highway  
57.22 motorcycle account; and \$1,000 each year  
57.23 is from the off-road vehicle account. The  
57.24 county enforcement agencies may use  
57.25 money received under this appropriation  
57.26 to make grants to other local enforcement  
57.27 agencies within the county that have a high  
57.28 concentration of off-highway vehicle use.  
57.29 Of this appropriation, \$25,000 each year  
57.30 is for administration of these grants. Any  
57.31 unencumbered balance does not cancel at the  
57.32 end of the first year and is available for the  
57.33 second year.  
57.34 The natural resources fund base for  
57.35 enforcement in fiscal year 2018 and  
57.36 thereafter is \$10,834,000. The game and fish

58.1 fund base for enforcement in fiscal year 2018  
 58.2 and thereafter is \$23,988,000.

58.3 **Subd. 8. Operations Support** 1,320,000 1,320,000

58.4	<u>Appropriations by Fund</u>	
58.5	<u>2016</u>	<u>2017</u>
58.6	<u>1,000,000</u>	<u>1,000,000</u>
58.7	<u>320,000</u>	<u>320,000</u>

58.8 \$320,000 the first year and \$320,000 the  
 58.9 second year are from the natural resources  
 58.10 fund for grants to be divided equally between  
 58.11 the city of St. Paul for the Como Park Zoo  
 58.12 and Conservatory and the city of Duluth  
 58.13 for the Duluth Zoo. This appropriation  
 58.14 is from the revenue deposited to the fund  
 58.15 under Minnesota Statutes, section 297A.94,  
 58.16 paragraph (e), clause (5).

58.17 The base is \$500,000 each year from the  
 58.18 general fund starting in fiscal year 2018.

58.19 **Sec. 4. BOARD OF WATER AND SOIL**  
 58.20 **RESOURCES** \$ 12,795,000 \$ 12,769,000

58.21 \$3,423,000 the first year and \$3,423,000 the  
 58.22 second year are for natural resources block  
 58.23 grants to local governments. Grants must be  
 58.24 matched with a combination of local cash or  
 58.25 in-kind contributions. The base grant portion  
 58.26 related to water planning must be matched  
 58.27 by an amount as specified by Minnesota  
 58.28 Statutes, section 103B.3369. The board may  
 58.29 reduce the amount of the natural resources  
 58.30 block grant to a county by an amount equal to  
 58.31 any reduction in the county's general services  
 58.32 allocation to a soil and water conservation  
 58.33 district from the county's previous year  
 58.34 allocation when the board determines that  
 58.35 the reduction was disproportionate.

59.1 \$3,116,000 the first year and \$3,116,000 the  
59.2 second year are for grants to soil and water  
59.3 conservation districts for general purposes,  
59.4 nonpoint engineering, and implementation of  
59.5 the reinvest in Minnesota reserve program.  
59.6 Expenditures may be made from these  
59.7 appropriations for supplies and services  
59.8 benefiting soil and water conservation  
59.9 districts. Any district receiving a grant under  
59.10 this paragraph shall maintain a Web page that  
59.11 publishes, at a minimum, its annual report,  
59.12 annual audit, annual budget, and meeting  
59.13 notices.

59.14 \$1,560,000 the first year and \$1,560,000 the  
59.15 second year are for the following cost-share  
59.16 programs:

59.17 (1) \$260,000 each year is for feedlot water  
59.18 quality grants for feedlots under 300 animal  
59.19 units and nutrient and manure management  
59.20 projects in watersheds where there are  
59.21 impaired waters;

59.22 (2) \$1,200,000 each year is for soil and  
59.23 water conservation district cost-sharing  
59.24 contracts for perennially vegetated riparian  
59.25 buffers, erosion control, water retention  
59.26 and treatment, and other high-priority  
59.27 conservation practices; and

59.28 (3) \$100,000 each year is for county  
59.29 cooperative weed management programs and  
59.30 to restore native plants in selected invasive  
59.31 species management sites by providing local  
59.32 native seeds and plants to landowners for  
59.33 implementation.

59.34 \$386,000 the first year and \$386,000  
59.35 the second year are for implementation,

60.1 enforcement, and oversight of the Wetland  
60.2 Conservation Act.

60.3 \$166,000 the first year and \$166,000  
60.4 the second year are to provide technical  
60.5 assistance to local drainage management  
60.6 officials and for the costs of the Drainage  
60.7 Work Group.

60.8 \$100,000 the first year and \$100,000  
60.9 the second year are for a grant to the  
60.10 Red River Basin Commission for water  
60.11 quality and floodplain management,  
60.12 including administration of programs. This  
60.13 appropriation must be matched by nonstate  
60.14 funds. If the appropriation in either year is  
60.15 insufficient, the appropriation in the other  
60.16 year is available for it.

60.17 \$120,000 the first year and \$120,000  
60.18 the second year are for grants to Area  
60.19 II Minnesota River Basin Projects for  
60.20 floodplain management.

60.21 Notwithstanding Minnesota Statutes, section  
60.22 103C.501, the board may shift cost-share  
60.23 funds in this section and may adjust the  
60.24 technical and administrative assistance  
60.25 portion of the grant funds to leverage  
60.26 federal or other nonstate funds or to address  
60.27 high-priority needs identified in local water  
60.28 management plans or comprehensive water  
60.29 management plans.

60.30 The appropriations for grants in this  
60.31 section are available until expended. If an  
60.32 appropriation for grants in either year is  
60.33 insufficient, the appropriation in the other  
60.34 year is available for it.

61.1 Sec. 5. METROPOLITAN COUNCIL \$ 6,653,000 \$ 6,653,000

61.2 Appropriations by Fund

61.3		<u>2016</u>	<u>2017</u>
61.4	<u>General</u>	<u>2,236,000</u>	<u>2,236,000</u>
61.5	<u>Natural Resources</u>	<u>4,417,000</u>	<u>4,417,000</u>

61.6 \$2,236,000 the first year and \$2,236,000 the  
 61.7 second year are for metropolitan area regional  
 61.8 parks operation and maintenance according  
 61.9 to Minnesota Statutes, section 473.351.

61.10 \$4,417,000 the first year and \$4,417,000 the  
 61.11 second year are from the natural resources  
 61.12 fund for metropolitan area regional parks  
 61.13 and trails maintenance and operations. This  
 61.14 appropriation is from the revenue deposited  
 61.15 in the natural resources fund under Minnesota  
 61.16 Statutes, section 297A.94, paragraph (e),  
 61.17 clause (3).

61.18 Notwithstanding Minnesota Statutes, section  
 61.19 473.351, none of the appropriations under  
 61.20 this section may be distributed to the  
 61.21 Minneapolis Park and Recreation Board  
 61.22 under section 473.351, subdivision 3. For  
 61.23 purposes of allocating appropriations under  
 61.24 this section, the term "implementing agency,"  
 61.25 as defined in section 473.351, subdivision  
 61.26 1, paragraph (a), does not include the  
 61.27 Minneapolis Park and Recreation Board.

61.28 Sec. 6. CONSERVATION CORPS  
 61.29 MINNESOTA \$ 945,000 \$ 945,000

61.30 Appropriations by Fund

61.31		<u>2016</u>	<u>2017</u>
61.32	<u>General</u>	<u>455,000</u>	<u>455,000</u>
61.33	<u>Natural Resources</u>	<u>490,000</u>	<u>490,000</u>

61.34 Conservation Corps Minnesota may receive  
 61.35 money appropriated from the natural

62.1 resources fund under this section only  
62.2 as provided in an agreement with the  
62.3 commissioner of natural resources.

62.4 Sec. 7. **ZOOLOGICAL BOARD** \$ **8,410,000** \$ **8,410,000**

62.5 Appropriations by Fund

	<u>2016</u>	<u>2017</u>
<u>General</u>	<u>8,250,000</u>	<u>8,250,000</u>
<u>Natural Resources</u>	<u>160,000</u>	<u>160,000</u>

62.9 \$160,000 the first year and \$160,000 the  
62.10 second year are from the natural resources  
62.11 fund from the revenue deposited under  
62.12 Minnesota Statutes, section 297A.94,  
62.13 paragraph (e), clause (5).

62.14 **ARTICLE 4**

62.15 **ENVIRONMENT AND NATURAL RESOURCES STATUTORY CHANGES**

62.16 Section 1. Minnesota Statutes 2014, section 13.7411, subdivision 8, is amended to read:

62.17 Subd. 8. **Pollution Control Agency.** (a) Hazardous waste generators.

62.18 Information provided by hazardous waste generators under section 473.151 and for which  
62.19 confidentiality is claimed is governed by section 116.075, subdivision 2.

62.20 (b) Priority chemicals. Trade secret information and other information submitted  
62.21 to the Pollution Control Agency related to priority chemicals in children's products are  
62.22 classified under sections 116.9403 to 116.9411.

62.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

62.24 Sec. 2. Minnesota Statutes 2014, section 14.365, is amended to read:

62.25 **14.365 OFFICIAL RULEMAKING RECORD.**

62.26 (a) The agency shall maintain the official rulemaking record for every rule adopted  
62.27 under sections 14.05 to 14.389. The record must be available for public inspection. The  
62.28 record required by this section constitutes the official and exclusive agency rulemaking  
62.29 record with respect to agency action on or judicial review of the rule. The record must  
62.30 contain:

62.31 (1) copies of all publications in the State Register pertaining to the rule;

63.1 ~~(2) all written petitions, and all requests, submissions, or comments received by the~~  
 63.2 ~~agency or the administrative law judge after publication of the notice of intent to adopt or~~  
 63.3 ~~the notice of hearing in the State Register pertaining to the rule;~~

63.4 ~~(3) (2) the statement of need and reasonableness for the rule;~~

63.5 ~~(4) the official transcript of the hearing if one was held, or the tape recording of the~~  
 63.6 ~~hearing if a transcript was not prepared;~~

63.7 ~~(5) (3) the report of the administrative law judge, if any;~~

63.8 ~~(6) (4) the rule in the form last submitted to the administrative law judge under~~  
 63.9 ~~sections 14.14 to 14.20 or first submitted to the administrative law judge under sections~~  
 63.10 ~~14.22 to 14.28;~~

63.11 ~~(7) (5) the administrative law judge's written statement of required modifications and~~  
 63.12 ~~of approval or disapproval by the chief administrative law judge, if any;~~

63.13 ~~(8) any documents required by applicable rules of the Office of Administrative~~  
 63.14 ~~Hearings;~~

63.15 ~~(9) (6) the agency's order adopting the rule;~~

63.16 ~~(10) (7) the revisor's certificate approving the form of the rule; and~~

63.17 ~~(11) (8) a copy of the adopted rule as filed with the secretary of state;~~

63.18 (9) all written petitions and requests, submissions, or comments pertaining to the  
 63.19 rule received by the agency or the administrative law judge after publication of the notice  
 63.20 of intent to adopt or the notice of hearing in the State Register;

63.21 (10) the official transcript of the hearing, if one was held, or the recording of the  
 63.22 hearing if a transcript was not prepared; and

63.23 (11) any other document required by applicable rules of the Office of Administrative  
 63.24 Hearings.

63.25 (b) The agency shall permanently maintain the documents described in paragraph  
 63.26 (a), clauses (1) to (7). The agency shall maintain for at least seven years the documents  
 63.27 described in paragraph (a), clauses (8) to (10). The agency may fulfill this duty by  
 63.28 providing the documents to the revisor of statutes in the form and manner required by the  
 63.29 revisor. The official rulemaking record must be available for public inspection. The  
 63.30 official rulemaking record constitutes the official and exclusive agency rulemaking record  
 63.31 with respect to agency action on or judicial review of the rule.

63.32 **Sec. 3. [84.69] NATURAL RESOURCES CONSERVATION EASEMENT**  
 63.33 **STEWARDSHIP ACCOUNT.**

63.34 Subdivision 1. **Account established; sources.** The natural resources conservation  
 63.35 easement stewardship account is created in the special revenue fund. The account consists

64.1 of money credited to the account and interest and other earnings on money in the account.  
 64.2 The State Board of Investment must manage the account to maximize long-term gain. The  
 64.3 following revenue must be deposited in the natural resources conservation easement  
 64.4 stewardship account:

- 64.5 (1) contributions to the account or specified for any purpose of the account;  
 64.6 (2) contributions under subdivision 3; section 84.66, subdivision 11; or other  
 64.7 applicable law;  
 64.8 (3) money appropriated for any of the purposes described in subdivision 2;  
 64.9 (4) money appropriated for monitoring and enforcement of easements and earnings  
 64.10 on the money appropriated that revert to the state under section 97A.056, subdivision  
 64.11 17, or other applicable law; and  
 64.12 (5) gifts under section 84.085 for conservation easement stewardship.

64.13 Subd. 2. **Appropriation; purposes of account.** Five percent of the balance on  
 64.14 July 1 of each year in the natural resources conservation easement stewardship account  
 64.15 is annually appropriated to the commissioner of natural resources and may be spent  
 64.16 only to cover the costs of managing conservation easements held by the Department of  
 64.17 Natural Resources, including costs associated with monitoring, landowner contracts,  
 64.18 records storage and management, processing landowner notices, requests for approval  
 64.19 or amendments, enforcement, and legal services associated with conservation easement  
 64.20 management activities.

64.21 Subd. 3. **Financial contributions.** The commissioner shall seek a financial  
 64.22 contribution to the natural resources conservation easement stewardship account for each  
 64.23 conservation easement acquired by or assigned to the Department of Natural Resources.  
 64.24 Unless otherwise provided by law, the commissioner shall determine the amount of the  
 64.25 contribution, which must be an amount calculated to earn sufficient money to meet  
 64.26 the costs of managing the conservation easement at a level that neither significantly  
 64.27 overrecovers nor underrecovers the costs. In determining the amount of the financial  
 64.28 contribution, the commissioner shall consider:

- 64.29 (1) the estimated annual staff hours needed to manage the conservation easement,  
 64.30 taking into consideration factors such as easement type, size, location, and complexity;  
 64.31 (2) the average hourly wages for the class or classes of employees expected to  
 64.32 manage the conservation easement;  
 64.33 (3) the estimated annual travel expenses to manage the conservation easement;  
 64.34 (4) the estimated annual miscellaneous costs to manage the conservation easement,  
 64.35 including supplies and equipment, information technology support, and aerial flyovers;



- 65.1 (5) the estimated annualized cost of legal services, including the cost to enforce the  
 65.2 easement in the event of a violation; and  
 65.3 (6) the expected rate of return on investments in the account.

65.4 **EFFECTIVE DATE.** Subdivisions 1 and 2 of this section are effective the day  
 65.5 following final enactment. Subdivision 3 of this section is effective for conservation  
 65.6 easements acquired with money appropriated on or after July 1, 2015, and for acquisitions  
 65.7 of conservation easements by gift that are initiated on or after July 1, 2015.

65.8 Sec. 4. Minnesota Statutes 2014, section 85.055, subdivision 1, is amended to read:

65.9 Subdivision 1. **Fees.** The fee for state park permits for:

- 65.10 (1) an annual use of state parks is ~~\$25~~ \$30;
- 65.11 (2) a second or subsequent vehicle state park permit is \$18;
- 65.12 (3) a state park permit valid for one day is ~~\$5~~ \$6;
- 65.13 (4) a daily vehicle state park permit for groups is \$3;
- 65.14 (5) an annual permit for motorcycles is \$20;
- 65.15 (6) an employee's state park permit is without charge; and
- 65.16 (7) a state park permit for persons with disabilities under section 85.053, subdivision
- 65.17 7, paragraph (a), clauses (1) to (3), is \$12.

65.18 The fees specified in this subdivision include any sales tax required by state law.

65.19 Sec. 5. Minnesota Statutes 2014, section 86B.415, subdivision 7, is amended to read:

65.20 Subd. 7. **Watercraft surcharge.** A ~~\$5~~ \$10 surcharge is placed on each watercraft  
 65.21 licensed under subdivisions 1 to 5 for control, public awareness, law enforcement,  
 65.22 monitoring, and research of aquatic invasive species such as zebra mussel, purple  
 65.23 loosestrife, and Eurasian water milfoil in public waters and public wetlands.

65.24 Sec. 6. **[103B.103] EASEMENT STEWARDSHIP ACCOUNTS.**

65.25 Subdivision 1. **Accounts established; sources.** (a) The water and soil conservation  
 65.26 easement stewardship account and the mitigation easement stewardship account are  
 65.27 created in the special revenue fund. The accounts consist of money credited to the  
 65.28 accounts and interest and other earnings on money in the accounts. The State Board of  
 65.29 Investment must manage the accounts to maximize long-term gain.

65.30 (b) Revenue from contributions and money appropriated for any purposes of the  
 65.31 account as described in subdivision 2 must be deposited in the water and soil conservation  
 65.32 easement stewardship account. Revenue from contributions, wetland banking fees  
 65.33 designated for stewardship purposes by the board, easement stewardship payments

66.1 authorized under subdivision 3, and money appropriated for any purposes of the account  
66.2 as described in subdivision 2 must be deposited in the mitigation easement stewardship  
66.3 account.

66.4 Subd. 2. **Appropriation; purposes of accounts.** Five percent of the balance on  
66.5 July 1 each year in the water and soil conservation easement stewardship account and  
66.6 five percent of the balance on July 1 each year in the mitigation easement stewardship  
66.7 account are annually appropriated to the board and may be spent only to cover the costs  
66.8 of managing easements held by the board, including costs associated with monitoring,  
66.9 landowner contracts, records storage and management, processing landowner notices,  
66.10 requests for approval or amendments, enforcement, and legal services associated with  
66.11 easement management activities.

66.12 Subd. 3. **Financial contributions.** The board shall seek a financial contribution  
66.13 to the water and soil conservation easement stewardship account for each conservation  
66.14 easement acquired by the board. The board shall seek a financial contribution or assess an  
66.15 easement stewardship payment to the mitigation easement stewardship account for each  
66.16 wetland banking easement acquired by the board. Unless otherwise provided by law,  
66.17 the board shall determine the amount of the contribution or payment, which must be an  
66.18 amount calculated to earn sufficient money to meet the costs of managing the easement at  
66.19 a level that neither significantly overrecovers nor underrecovers the costs. In determining  
66.20 the amount of the financial contribution, the board shall consider:

66.21 (1) the estimated annual staff hours needed to manage the conservation easement,  
66.22 taking into consideration factors such as easement type, size, location, and complexity;

66.23 (2) the average hourly wages for the class or classes of state and local employees  
66.24 expected to manage the easement;

66.25 (3) the estimated annual travel expenses to manage the easement;

66.26 (4) the estimated annual miscellaneous costs to manage the easement, including  
66.27 supplies and equipment, information technology support, and aerial flyovers;

66.28 (5) the estimated annualized costs of legal services, including the cost to enforce the  
66.29 easement in the event of a violation; and

66.30 (6) the expected rate of return on investments in the account.

66.31 **EFFECTIVE DATE.** Subdivisions 1 and 2 of this section are effective the day  
66.32 following final enactment. Subdivision 3 of this section is effective for conservation  
66.33 easements acquired with money appropriated on or after July 1, 2015, and for acquisitions  
66.34 of conservation easements by gift or as a condition of approval for wetland mitigation as  
66.35 provided in Minnesota Rules, chapter 8420, that are initiated on or after July 1, 2015.

67.1 Sec. 7. Minnesota Statutes 2014, section 116.07, subdivision 4d, is amended to read:

67.2 Subd. 4d. **Permit fees.** (a) The agency may collect permit fees in amounts not greater  
67.3 than those necessary to cover the reasonable costs of developing, reviewing, and acting  
67.4 upon applications for agency permits and implementing and enforcing the conditions of  
67.5 the permits pursuant to agency rules. Permit fees shall not include the costs of litigation.  
67.6 The fee schedule must reflect reasonable and routine direct and indirect costs associated  
67.7 with permitting, implementation, and enforcement. The agency may impose an additional  
67.8 enforcement fee to be collected for a period of up to two years to cover the reasonable costs  
67.9 of implementing and enforcing the conditions of a permit under the rules of the agency.  
67.10 Any money collected under this paragraph shall be deposited in the environmental fund.

67.11 (b) Notwithstanding paragraph (a), the agency shall collect an annual fee from  
67.12 the owner or operator of all stationary sources, emission facilities, emissions units, air  
67.13 contaminant treatment facilities, treatment facilities, potential air contaminant storage  
67.14 facilities, or storage facilities ~~subject to the requirement to obtain a permit a notification,~~  
67.15 permit, or license requirement under subchapter this chapter, subchapters I and V of  
67.16 the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or section  
67.17 ~~116.081~~ or rules adopted thereunder. The annual fee shall be used to pay for all direct  
67.18 and indirect reasonable costs, including ~~attorney general~~ legal costs, required to develop  
67.19 and administer the notification, permit, or license program requirements of ~~subchapter~~  
67.20 this chapter, subchapters I and V of the federal Clean Air Act, United States Code, title  
67.21 42, section 7401 et seq., and sections of this chapter and the or rules adopted under  
67.22 ~~this chapter related to air contamination and noise~~ thereunder. Those costs include the  
67.23 reasonable costs of reviewing and acting upon an application for a permit; implementing  
67.24 and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient,  
67.25 and deposition monitoring; preparing generally applicable regulations; responding to  
67.26 federal guidance; modeling, analyses, and demonstrations; preparing inventories and  
67.27 tracking emissions; and providing information to the public about these activities.

67.28 (c) The agency shall set fees that:

67.29 (1) will result in the collection, in the aggregate, from the sources listed in paragraph  
67.30 (b), of an amount not less than \$25 per ton of each volatile organic compound; pollutant  
67.31 regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112  
67.32 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a  
67.33 national primary ambient air quality standard has been promulgated;

67.34 (2) may result in the collection, in the aggregate, from the sources listed in paragraph  
67.35 (b), of an amount not less than \$25 per ton of each pollutant not listed in clause (1) that is  
67.36 regulated under this chapter or air quality rules adopted under this chapter; and

68.1 (3) shall collect, in the aggregate, from the sources listed in paragraph (b), the  
68.2 amount needed to match grant funds received by the state under United States Code, title  
68.3 42, section 7405 (section 105 of the federal Clean Air Act).

68.4 The agency must not include in the calculation of the aggregate amount to be collected  
68.5 under clauses (1) and (2) any amount in excess of 4,000 tons per year of each air pollutant  
68.6 from a source. The increase in air permit fees to match federal grant funds shall be a  
68.7 surcharge on existing fees. The commissioner may not collect the surcharge after the grant  
68.8 funds become unavailable. In addition, the commissioner shall use nonfee funds to the  
68.9 extent practical to match the grant funds so that the fee surcharge is minimized.

68.10 (d) Notwithstanding paragraphs (a) to (c), the agency shall collect an annual fee  
68.11 from all owners or operators of facilities subject to a notification, permit, or license  
68.12 requirement under chapter 115 or rules adopted thereunder. The annual fee shall be used  
68.13 to pay for all direct and indirect reasonable costs, including legal costs, required to  
68.14 develop and administer the notification, permit, or license requirements under chapter  
68.15 115 or rules adopted thereunder.

68.16 ~~(d)~~ (e) To cover the reasonable costs described in ~~paragraph~~ paragraphs (b) and  
68.17 (d), the agency shall provide in the rules promulgated ~~under paragraph (e) to implement~~  
68.18 paragraphs (b) to (d) for an increase in the fee collected in each year by the percentage,  
68.19 if any, by which the Consumer Price Index for the most recent calendar year ending  
68.20 before the beginning of the year the fee is collected exceeds the Consumer Price Index  
68.21 for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for  
68.22 any calendar year is the average of the Consumer Price Index for all-urban consumers  
68.23 published by the United States Department of Labor, as of the close of the 12-month period  
68.24 ending on August 31 of each calendar year. The revision of the Consumer Price Index that  
68.25 is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

68.26 ~~(e)~~ (f) Any money collected under ~~paragraphs (b) to (d)~~ this subdivision must be  
68.27 deposited in the environmental fund and must be used solely for the activities listed in  
68.28 ~~paragraph~~ paragraphs (b) and (d).

68.29 ~~(f)~~ (g) Permit applicants who wish to construct, reconstruct, or modify a facility may  
68.30 offer to reimburse the agency for the costs of staff time or consultant services needed to  
68.31 expedite the permit development process, including the analysis of environmental review  
68.32 documents. The reimbursement shall be in addition to permit application fees imposed by  
68.33 law. When the agency determines that it needs additional resources to develop the permit  
68.34 application in an expedited manner, and that expediting the development is consistent with  
68.35 permitting program priorities, the agency may accept the reimbursement. Reimbursements  
68.36 accepted by the agency are appropriated to the agency for the purpose of developing

69.1 the permit or analyzing environmental review documents. Reimbursement by a permit  
 69.2 applicant shall precede and not be contingent upon issuance of a permit; shall not affect  
 69.3 the agency's decision on whether to issue or deny a permit, what conditions are included  
 69.4 in a permit, or the application of state and federal statutes and rules governing permit  
 69.5 determinations; and shall not affect final decisions regarding environmental review.

69.6 ~~(g)~~ (h) The fees under this subdivision are exempt from section 16A.1285.

69.7 Sec. 8. Minnesota Statutes 2014, section 116.9401, is amended to read:

69.8 **116.9401 DEFINITIONS.**

69.9 (a) For the purposes of sections 116.9401 to ~~116.9407~~ 116.9411, the following terms  
 69.10 have the meanings given them.

69.11 (b) "Agency" means the Pollution Control Agency.

69.12 (c) "Alternative" means a substitute process, product, material, chemical, strategy,  
 69.13 or combination of these that is technically feasible and serves a functionally equivalent  
 69.14 purpose to a chemical in a children's product.

69.15 (d) "Chemical" means a substance with a distinct molecular composition or a group  
 69.16 of structurally related substances and includes the breakdown products of the substance or  
 69.17 substances that form through decomposition, degradation, or metabolism.

69.18 (e) "Chemical of high concern" means a chemical identified on the basis of credible  
 69.19 scientific evidence by a state, federal, or international agency as being known or suspected  
 69.20 with a high degree of probability to:

69.21 (1) harm the normal development of a fetus or child or cause other developmental  
 69.22 toxicity;

69.23 (2) cause cancer, genetic damage, or reproductive harm;

69.24 (3) disrupt the endocrine or hormone system;

69.25 (4) damage the nervous system, immune system, or organs, or cause other systemic  
 69.26 toxicity;

69.27 (5) be persistent, bioaccumulative, and toxic; or

69.28 (6) be very persistent and very bioaccumulative.

69.29 (f) "Child" means a person under 12 years of age.

69.30 (g) "Children's product" means a consumer product intended for use by children,  
 69.31 such as baby products, toys, car seats, personal care products, and clothing.

69.32 (h) "Commissioner" means the commissioner of the Pollution Control Agency.

69.33 (i) "Contaminant" means a trace amount of a chemical that is incidental to  
 69.34 manufacturing and serves no intended function in the product component. Contaminant  
 69.35 includes, but is not limited to, unintended by-products of chemical reactions that

70.1 occur during the manufacture of the product component, trace impurities in feedstock,  
 70.2 incompletely reacted chemical mixtures, and degradation products.

70.3 (j) "Department" means the Department of Health.

70.4 ~~(j)~~ (k) "Distributor" means a person who sells consumer products to retail  
 70.5 establishments on a wholesale basis.

70.6 ~~(k)~~ (l) "Green chemistry" means an approach to designing and manufacturing  
 70.7 products that minimizes the use and generation of toxic substances.

70.8 ~~(l)~~ (m) "Manufacturer" means any person who manufactures a final consumer  
 70.9 product sold at retail or whose brand name is affixed to the consumer product. In the  
 70.10 case of a consumer product imported into the United States, manufacturer includes the  
 70.11 importer or domestic distributor of the consumer product if the person who manufactured  
 70.12 or assembled the consumer product or whose brand name is affixed to the consumer  
 70.13 product does not have a presence in the United States.

70.14 (n) "Practical quantification limit" means the lowest concentration of a chemical that  
 70.15 can be reliably measured within specified limits of precision, accuracy, representativeness,  
 70.16 completeness, and comparability under routine laboratory operating conditions, the value  
 70.17 of which:

70.18 (1) is based on scientifically defensible, standard analytical methods;

70.19 (2) may vary depending on the matrix and analytical method used; and

70.20 (3) will be determined jointly by the agency and the department, taking into  
 70.21 consideration practical quantification limits established by federal or state agencies.

70.22 ~~(m)~~ (o) "Priority chemical" means a chemical identified by the Department of Health  
 70.23 as a chemical of high concern that meets the criteria in section 116.9403.

70.24 ~~(n)~~ (p) "Product category" means the brick level of the GS1 Global Product  
 70.25 Classification (GPC) standard, which identifies products that serve a common purpose, are  
 70.26 of a similar form and material, and share the same set of category attributes.

70.27 (q) "Safer alternative" means an alternative whose potential to harm human health is  
 70.28 less than that of the use of a priority chemical that it could replace.

70.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

70.30 Sec. 9. Minnesota Statutes 2014, section 116.9402, is amended to read:

70.31 **116.9402 IDENTIFICATION OF CHEMICALS OF HIGH CONCERN.**

70.32 (a) By July 1, 2010, the department shall, after consultation with the agency,  
 70.33 generate a list of chemicals of high concern.

71.1 (b) The department must periodically review and revise the list of chemicals of  
 71.2 high concern at least every three years. The department may add chemicals to the list if  
 71.3 the chemical meets one or more of the criteria in section 116.9401, paragraph (e). Any  
 71.4 changes to the list of chemicals of high concern must be published on the department's  
 71.5 Web site and in the State Register when a change is made.

71.6 (c) The department shall consider chemicals listed as a suspected carcinogen,  
 71.7 reproductive or developmental toxicant, or as being persistent, bioaccumulative, and  
 71.8 toxic, or very persistent and very bioaccumulative by a state, federal, or international  
 71.9 agency. These agencies may include, but are not limited to, the California Environmental  
 71.10 Protection Agency, the Washington Department of Ecology, the United States Department  
 71.11 of Health, the United States Environmental Protection Agency, the United Nation's World  
 71.12 Health Organization, and European Parliament Annex XIV concerning the Registration,  
 71.13 Evaluation, Authorisation, and Restriction of Chemicals.

71.14 (d) The department may consider chemicals listed by another state as harmful to  
 71.15 human health or the environment for possible inclusion in the list of chemicals of high  
 71.16 concern.

71.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

71.18 Sec. 10. Minnesota Statutes 2014, section 116.9403, is amended to read:

71.19 **116.9403 IDENTIFICATION OF PRIORITY CHEMICALS.**

71.20 (a) The department, after consultation with the agency, may designate a chemical of  
 71.21 high concern as a priority chemical if the department finds that the chemical:

71.22 (1) has been identified as a high-production volume chemical by the United States  
 71.23 Environmental Protection Agency; and

71.24 (2) meets any of the following criteria:

71.25 (i) the chemical has been found through biomonitoring to be present in human blood,  
 71.26 including umbilical cord blood, breast milk, urine, or other bodily tissues or fluids;

71.27 (ii) the chemical has been found through sampling and analysis to be present in  
 71.28 household dust, indoor air, drinking water, or elsewhere in the home environment; or

71.29 (iii) the chemical has been found through monitoring to be present in fish, wildlife,  
 71.30 or the natural environment.

71.31 (b) By February 1, 2011, the department shall publish a list of priority chemicals in  
 71.32 the State Register and on the department's Internet Web site and shall update the published  
 71.33 list whenever a new priority chemical is designated. Any proposed changes to the list of  
 71.34 priority chemicals must be published on the department's Web site and in the State Register

72.1 and is subject to a minimum 60-day public comment period. After the department's  
 72.2 review and consideration of public comments, a final list of changes to the list of priority  
 72.3 chemicals must be published on the department's Web site and in the State Register.

72.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

72.5 Sec. 11. Minnesota Statutes 2014, section 116.9405, is amended to read:

72.6 **116.9405 APPLICABILITY.**

72.7 The requirements of sections 116.9401 to ~~116.9407~~ 116.9411 do not apply to:

72.8 (1) chemicals in used children's products;

72.9 (2) priority chemicals used in the manufacturing process, but that are not present  
 72.10 in the final product;

72.11 (3) priority chemicals used in agricultural production;

72.12 (4) motor vehicles as defined in chapter 168 or watercraft as defined in chapter  
 72.13 86B or their component parts, except that the use of priority chemicals in detachable  
 72.14 car seats is not exempt;

72.15 (5) priority chemicals generated solely as combustion by-products or that are present  
 72.16 in combustible fuels;

72.17 (6) retailers;

72.18 (7) pharmaceutical products or biologics;

72.19 (8) a medical device as defined in the federal Food, Drug, and Cosmetic Act, United  
 72.20 States Code, title 21, section 321(h);

72.21 ~~(9) food and food or beverage packaging, except a container containing baby food~~  
 72.22 ~~or infant formula;~~

72.23 ~~(10) consumer electronics products and electronic components, including but not~~  
 72.24 ~~limited to personal computers; audio and video equipment; calculators; digital displays;~~  
 72.25 ~~wireless phones; cameras; game consoles; printers; and handheld electronic and electrical~~  
 72.26 ~~devices used to access interactive software or their associated peripherals; or products that~~  
 72.27 ~~comply with the provisions of directive 2002/95/EC of the European Union, adopted by~~  
 72.28 ~~the European Parliament and Council of the European Union now or hereafter in effect; or~~

72.29 ~~(11)~~ (10) outdoor sport equipment, including snowmobiles as defined in section  
 72.30 84.81, subdivision 3; all-terrain vehicles as defined in section 84.92, subdivision 8;  
 72.31 personal watercraft as defined in section 86B.005, subdivision 14a; watercraft as defined  
 72.32 in section 86B.005, subdivision 18; and off-highway motorcycles, as defined in section  
 72.33 84.787, subdivision 7, and all attachments and repair parts for all of this equipment;



73.1 (11) a manufacturer or distributor of a children's product whose annual aggregate  
 73.2 gross sales, both within and outside this state, as reported in the manufacturer's or  
 73.3 distributor's most recently filed federal tax return, is below \$100,000; or

73.4 (12) a children's product if the annual production of the children's product is less  
 73.5 than 3,000 units.

73.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

73.7 Sec. 12. Minnesota Statutes 2014, section 116.9406, is amended to read:

73.8 **116.9406 DONATIONS TO THE STATE.**

73.9 The commissioner may accept donations, grants, and other funds to carry out the  
 73.10 purposes of sections 116.9401 to ~~116.9407~~ 116.9411. All donations, grants, and other  
 73.11 funds must be accepted without preconditions regarding the outcomes of the regulatory  
 73.12 oversight processes set forth in sections 116.9401 to ~~116.9407~~ 116.9411.

73.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

73.14 Sec. 13. **[116.9408] CHILDREN'S PRODUCTS; REPORTING INFORMATION**  
 73.15 **ON PRIORITY CHEMICALS.**

73.16 Subdivision 1. **Reporting; content.** A manufacturer or distributor of a children's  
 73.17 product offered for sale in this state that contains one or more priority chemicals  
 73.18 designated under section 116.9403 must, unless the children's product is exempt under  
 73.19 section 116.9405, provide the following information to the agency, on a form developed by  
 73.20 the agency, for each priority chemical that is intentionally added to the children's product  
 73.21 and present at or above the practical quantification limit or that is a contaminant present in  
 73.22 a component of the children's product at a concentration above 100 parts per million:

73.23 (1) the name of the priority chemical;

73.24 (2) the Chemical Abstracts Service Registry number of the priority chemical;

73.25 (3) the concentration of each priority chemical contained in a children's product, a  
 73.26 description of how the concentration was determined, and an evaluation of the accuracy  
 73.27 of the determination. Concentrations at or above the practical quantification limit must  
 73.28 be reported, but may be reported in the following ranges:

73.29 (i) greater than or equal to the practical quantification limit but less than 100 parts  
 73.30 per million (ppm);

73.31 (ii) greater than or equal to 100 ppm but less than 500 ppm;

73.32 (iii) greater than or equal to 500 ppm but less than 1,000 ppm;

73.33 (iv) greater than or equal to 1,000 ppm but less than 5,000 ppm;

- 74.1 (v) greater than or equal to 5,000 ppm but less than 10,000 ppm; and
- 74.2 (vi) greater than or equal to 10,000 ppm;
- 74.3 (4) the product category of the children's product;
- 74.4 (5) the number of units of the children's product sold in Minnesota or nationally in
- 74.5 the most recently completed calendar year;
- 74.6 (6) information that the agency determines is necessary to determine the extent to
- 74.7 which a child is likely to be exposed to the priority chemical through normal use of the
- 74.8 product;
- 74.9 (7) any assessment conducted by the manufacturer or distributor of the children's
- 74.10 product or others regarding the use of safer alternatives to the priority chemical contained
- 74.11 in the children's product; and
- 74.12 (8) any additional information requested by the agency.
- 74.13 Subd. 2. **Report timing.** (a) A manufacturer or distributor subject to this section
- 74.14 must report the information required under this section to the agency no later than one
- 74.15 year after a priority chemical has been designated under section 116.9403 or, for a priority
- 74.16 chemical designated under section 116.9403 before July 1, 2011, on the following
- 74.17 schedule based on the manufacturer's or distributor's annual aggregate gross sales, both
- 74.18 within and outside the state, as reported in the manufacturer's or distributor's most recently
- 74.19 filed federal tax return:
- 74.20 (1) for a manufacturer or distributor with gross sales exceeding \$1,000,000,000, by
- 74.21 July 1, 2017;
- 74.22 (2) for a manufacturer or distributor with gross sales exceeding \$250,000,000 but
- 74.23 less than or equal to \$1,000,000,000, by January 1, 2018;
- 74.24 (3) for a manufacturer or distributor with gross sales exceeding \$100,000,000 but
- 74.25 less than or equal to \$250,000,000, by July 1, 2018;
- 74.26 (4) for a manufacturer or distributor with gross sales exceeding \$5,000,000 but less
- 74.27 than or equal to \$100,000,000, by July 1, 2019; and
- 74.28 (5) for a manufacturer or distributor with gross sales exceeding \$100,000 but less
- 74.29 than or equal to \$5,000,000, by July 1, 2020.
- 74.30 (b) Two years after submitting an initial report to the agency under this section,
- 74.31 a manufacturer or distributor of a children's product offered for sale in this state that
- 74.32 continues to contain one or more priority chemicals must submit an updated report
- 74.33 containing the information required under subdivision 1 and the 12-digit Universal
- 74.34 Product Code for the children's product. If the children's product continues to be offered
- 74.35 for sale in this state and to contain the priority chemical, the information required under
- 74.36 this paragraph must be submitted to the agency every two years.

75.1 Subd. 3. **Public data.** Notwithstanding section 13.37, subdivision 2, the presence  
75.2 and concentration of a priority chemical in a specific children's product reported to the  
75.3 agency under subdivision 1 are classified as public data.

75.4 Subd. 4. **Not misappropriation of trade secret.** Notwithstanding section 325C.01,  
75.5 subdivision 3, publication by the agency of the presence and concentration of a priority  
75.6 chemical in a specific children's product reported to the agency under subdivision 1 is not  
75.7 misappropriation of a trade secret.

75.8 Subd. 5. **Removal of priority chemical; reporting.** A manufacturer or distributor  
75.9 who removes a priority chemical from a children's product reported under this section  
75.10 must notify the agency of the removal at the earliest possible date. If the priority  
75.11 chemical removed is replaced by a safer alternative, the manufacturer or distributor  
75.12 must provide, on a form developed by the agency, the name of the safer alternative  
75.13 and its Chemical Abstracts Service Registry number or, if not replaced by a chemical  
75.14 alternative, a description of the techniques or design changes implemented. The safer  
75.15 alternative or nonchemical techniques or design changes may be designated as trade  
75.16 secrets. Upon verification that all priority chemicals in the product have been replaced by  
75.17 safer alternatives, the commissioner must promptly remove from state agency Web sites  
75.18 any reference to the relevant children's product of the manufacturer, and the manufacturer  
75.19 will no longer report or pay fees on that children's product.

75.20 Subd. 6. **Failure to report.** If the information required in subdivision 1 is not  
75.21 submitted in a timely fashion or is incomplete or otherwise unacceptable as determined  
75.22 by the agency, the agency may contract with an independent third party of the agency's  
75.23 choice to provide the information and may assess a fee on the manufacturer or distributor  
75.24 to pay the costs specified under section 116.9409.

75.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

75.26 Sec. 14. **[116.9409] FEES.**

75.27 (a) The agency shall collect a fee of \$1,000 for each priority chemical initially  
75.28 reported under section 116.9408. The fee doubles for each report subsequently filed  
75.29 with the agency under section 116.9408 for the same chemical contained in the same  
75.30 children's product.

75.31 (b) The agency shall collect a fee equal to the costs billed by the independent  
75.32 contractor plus the agency's actual incurred costs to bid and administer the contract for  
75.33 each contract issued under section 116.9408, subdivision 6.

75.34 (c) The commissioner shall deposit all fees received under this section in an account  
75.35 in the special revenue fund.

76.1 (d) Fees collected under this section are exempt from section 16A.1285.

76.2 **EFFECTIVE DATE.** This section is effective the day following final enactment.

76.3 Sec. 15. **[116.9410] ENFORCEMENT.**

76.4 The agency shall enforce sections 116.9401 to 116.9409 in the manner provided by  
76.5 section 115.071, subdivisions 1, 3, 4, 5, and 6. Section 115.071, subdivision 2, does not  
76.6 apply to violations of sections 116.9401 to 116.9409.

76.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

76.8 Sec. 16. **[116.9411] STATE AGENCY DUTIES.**

76.9 Subdivision 1. **Safer alternative grants.** If there is fee revenue collected under  
76.10 section 116.9409, paragraph (a), in excess of program implementation costs, the  
76.11 commissioner, in consultation with the commissioners of commerce and health, may  
76.12 use that fee revenue to offer grants awarded competitively to manufacturers or other  
76.13 researchers to develop safer alternatives to priority chemicals in children's products,  
76.14 to establish alternatives as safer alternatives, or to accelerate the commercialization of  
76.15 safer alternatives.

76.16 Subd. 2. **Education and outreach.** The commissioners of health and commerce  
76.17 shall develop and implement an education and outreach effort regarding priority chemicals  
76.18 in children's products.

76.19 Subd. 3. **Report.** By January 15, 2018, and every three years thereafter, the  
76.20 commissioners of the Pollution Control Agency, health, and commerce shall report to  
76.21 the legislative committees with jurisdiction over environment and natural resources,  
76.22 commerce, and public health on the implementation of sections 116.9401 to 116.9411.

76.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

76.24 Sec. 17. **TRANSFERS.**

76.25 (a) On June 30, 2015, the commissioner of management and budget shall transfer  
76.26 to the natural resources conservation easement stewardship account, established in  
76.27 Minnesota Statutes, section 84.69, the remaining balance:

76.28 (1) in the forests for the future conservation easement account under section 84.68;  
76.29 and

76.30 (2) of all appropriations to the Department of Natural Resources from the outdoor  
76.31 heritage fund for the establishment of conservation easement monitoring and enforcement  
76.32 accounts.

77.1 (b) On June 30, 2015, the commissioner of management and budget shall transfer to  
 77.2 the water and soil conservation easement stewardship account, established in Minnesota  
 77.3 Statutes, section 103B.103, the remaining balance of all appropriations to the board from  
 77.4 the outdoor heritage fund for the establishment of conservation easement monitoring  
 77.5 and enforcement accounts.

77.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

77.7 Sec. 18. **REPEALER.**

77.8 Minnesota Statutes 2014, section 84.68, is repealed.

77.9 **ARTICLE 5**

77.10 **PARKS AND TRAILS FUND**

77.11 Section 1. **PARKS AND TRAILS FUND APPROPRIATIONS.**

77.12 The sums shown in the columns marked "Appropriations" are appropriated to the  
 77.13 agencies and for the purposes specified in this article. The appropriations are from the  
 77.14 parks and trails fund and are available for the fiscal years indicated for each purpose. The  
 77.15 figures "2016" and "2017" used in this article mean that the appropriations listed under  
 77.16 them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively.  
 77.17 "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium"  
 77.18 is fiscal years 2016 and 2017. All appropriations in this article are onetime.

77.19		<b><u>APPROPRIATIONS</u></b>	
77.20		<b><u>Available for the Year</u></b>	
77.21		<b><u>Ending June 30</u></b>	
77.22		<b><u>2016</u></b>	<b><u>2017</u></b>

77.23 Sec. 2. **PARKS AND TRAILS**

77.24	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>43,183,000</u></b>	<b><u>\$</u></b>	<b><u>45,151,000</u></b>
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77.25 The amounts that may be spent for each  
 77.26 purpose are specified in the following  
 77.27 sections.

77.28 **Subd. 2. Availability of Appropriation**

77.29 Money appropriated in this article may  
 77.30 not be spent on activities unless they are  
 77.31 directly related to and necessary for a  
 77.32 specific appropriation. Money appropriated

78.1 in this article must be spent in accordance  
 78.2 with Minnesota Management and Budget's  
 78.3 Guidance to Agencies on Legacy Fund  
 78.4 Expenditure. Notwithstanding Minnesota  
 78.5 Statutes, section 16A.28, and unless  
 78.6 otherwise specified in this article, fiscal year  
 78.7 2016 appropriations are available until June  
 78.8 30, 2018, and fiscal year 2017 appropriations  
 78.9 are available until June 30, 2019. If a project  
 78.10 receives federal funds, the time period of  
 78.11 the appropriation is extended to equal the  
 78.12 availability of federal funding.

78.13 **Sec. 3. DEPARTMENT OF NATURAL**  
 78.14 **RESOURCES**

**\$ 26,122,000 \$ 27,310,000**

78.15 (a) \$17,061,000 the first year and  
 78.16 \$17,841,000 the second year are for state  
 78.17 parks, recreation areas, and trails to:  
 78.18 (1) connect people to the outdoors;  
 78.19 (2) acquire land and create opportunities;  
 78.20 (3) maintain existing holdings; and  
 78.21 (4) improve cooperation by coordinating  
 78.22 with partners to implement the 25-year  
 78.23 long-range parks and trails legacy plan.  
 78.24 (b) \$8,530,000 the first year and \$8,920,000  
 78.25 the second year are for grants in accordance  
 78.26 with Minnesota Statutes, section 85.535,  
 78.27 for parks and trails of regional or statewide  
 78.28 significance outside of the metropolitan area,  
 78.29 as defined in Minnesota Statutes, section  
 78.30 473.121, subdivision 2. Up to 2.5 percent of  
 78.31 the total appropriation may be used by the  
 78.32 department for administering the grants. Up  
 78.33 to 4.5 percent of the total appropriation is for  
 78.34 a grant to the Greater Minnesota Regional

79.1 Parks and Trails Commission for operating  
79.2 costs.

79.3 (c) \$531,000 the first year and \$549,000 the  
79.4 second year are for coordination and projects  
79.5 between the department, Metropolitan  
79.6 Council, and the Greater Minnesota Regional  
79.7 Parks and Trails Commission; enhanced  
79.8 Web-based information for park and trail  
79.9 users; and support of activities of the Parks  
79.10 and Trails Legacy Advisory Committee.

79.11 (d) The commissioner shall contract for  
79.12 services with Conservation Corps Minnesota  
79.13 for restoration, maintenance, and other  
79.14 activities under this section for at least  
79.15 \$1,000,000 the first year and \$1,000,000 the  
79.16 second year.

79.17 (e) The implementing agencies receiving  
79.18 appropriations under this section shall  
79.19 give consideration to contracting with  
79.20 Conservation Corps Minnesota for  
79.21 restoration, maintenance, and other activities.

79.22 **Sec. 4. METROPOLITAN COUNCIL                    \$            17,061,000 \$            17,841,000**

79.23 (a) \$17,061,000 the first year and  
79.24 \$17,841,000 the second year are for  
79.25 distribution according to Minnesota Statutes,  
79.26 section 85.53, subdivision 3.

79.27 (b) Money appropriated under this section  
79.28 and distributed to implementing agencies  
79.29 must be used to fund the list of recommended  
79.30 projects in the report submitted pursuant to  
79.31 Laws 2013, chapter 137, article 3, section  
79.32 4, paragraph (o). Projects funded by the  
79.33 money appropriated under this section must  
79.34 be substantially consistent with the project

80.1 descriptions and dollar amounts in the report.  
 80.2 Any funds remaining after completion of  
 80.3 the listed projects may be spent by the  
 80.4 implementing agencies on projects to support  
 80.5 parks and trails.

80.6 (c) Grant agreements entered into by the  
 80.7 Metropolitan Council and recipients of  
 80.8 money appropriated under this section must  
 80.9 ensure that the funds are used to supplement  
 80.10 and not substitute for traditional sources of  
 80.11 funding.

80.12 (d) The implementing agencies receiving  
 80.13 appropriations under this section shall  
 80.14 give consideration to contracting with  
 80.15 Conservation Corps Minnesota for  
 80.16 restoration, maintenance, and other activities.

80.17 **ARTICLE 6**

80.18 **CLEAN WATER FUND**

80.19 Section 1. **CLEAN WATER FUND APPROPRIATIONS.**

80.20 The sums shown in the columns marked "Appropriations" are appropriated to the  
 80.21 agencies and for the purposes specified in this article. The appropriations are from the  
 80.22 clean water fund and are available for the fiscal years indicated for allowable activities  
 80.23 under the Minnesota Constitution, article XI, section 15. The figures "2016" and "2017"  
 80.24 used in this article mean that the appropriations listed under them are available for the  
 80.25 fiscal year ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal  
 80.26 year 2016. "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016  
 80.27 and 2017. The appropriations in this article are onetime.

	<b><u>APPROPRIATIONS</u></b>	
	<b><u>Available for the Year</u></b>	
	<b><u>Ending June 30</u></b>	
	<b><u>2016</u></b>	<b><u>2017</u></b>

80.32 Sec. 2. **CLEAN WATER**

80.33 <b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>110,849,000</u></b>	<b><u>\$</u></b>	<b><u>110,849,000</u></b>
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81.1 The amounts that may be spent for each  
 81.2 purpose are specified in the following  
 81.3 sections.

81.4 **Subd. 2. Availability of Appropriation**

81.5 Money appropriated in this article may  
 81.6 not be spent on activities unless they are  
 81.7 directly related to and necessary for a  
 81.8 specific appropriation. Money appropriated  
 81.9 in this article must be spent in accordance  
 81.10 with Minnesota Management and Budget's  
 81.11 Guidance to Agencies on Legacy Fund  
 81.12 Expenditure. Notwithstanding Minnesota  
 81.13 Statutes, section 16A.28, and unless  
 81.14 otherwise specified in this article, fiscal year  
 81.15 2016 appropriations are available until June  
 81.16 30, 2017, and fiscal year 2017 appropriations  
 81.17 are available until June 30, 2018. If a project  
 81.18 receives federal funds, the time period of  
 81.19 the appropriation is extended to equal the  
 81.20 availability of federal funding.

81.21 **Sec. 3. DEPARTMENT OF AGRICULTURE**    **\$**        **8,360,000**    **\$**        **8,560,000**

81.22 (a) \$350,000 the first year and \$350,000 the  
 81.23 second year are to increase monitoring for  
 81.24 pesticides and pesticide degradates in surface  
 81.25 water and groundwater and to use data  
 81.26 collected to assess pesticide use practices.

81.27 (b) \$2,600,000 the first year and \$2,700,000  
 81.28 the second year are for monitoring and  
 81.29 evaluating trends in the concentration of  
 81.30 nitrate in groundwater in areas vulnerable  
 81.31 to groundwater degradation; monitoring  
 81.32 for pesticides when nitrate is detected;  
 81.33 promoting, developing, and evaluating  
 81.34 regional and crop-specific nutrient best

82.1 management practices; assessing best  
82.2 management practice adoption; education  
82.3 and technical support from University of  
82.4 Minnesota Extension; and other actions to  
82.5 protect groundwater from degradation from  
82.6 nitrate. This appropriation is available until  
82.7 June 30, 2018.

82.8 (c) \$75,000 the first year and \$75,000 the  
82.9 second year are for administering clean water  
82.10 funds managed through the agriculture best  
82.11 management practices loan program. Any  
82.12 unencumbered balance at the end of the  
82.13 second year shall be added to the corpus of  
82.14 the loan fund.

82.15 (d) \$1,500,000 the first year and \$1,500,000  
82.16 the second year are for technical assistance,  
82.17 research, and demonstration projects on  
82.18 proper implementation of best management  
82.19 practices and more precise information on  
82.20 nonpoint contributions to impaired waters.  
82.21 This appropriation is available until June 30,  
82.22 2020.

82.23 (e) \$1,000,000 the first year and \$1,100,000  
82.24 the second year are for research to quantify  
82.25 and reduce agricultural contributions to  
82.26 impaired waters and for development and  
82.27 evaluation of best management practices to  
82.28 protect and restore water resources. This  
82.29 appropriation is available until June 30, 2020.

82.30 (f) \$50,000 the first year and \$50,000 the  
82.31 second year are for a research inventory  
82.32 database containing water-related research  
82.33 activities. Costs for information technology  
82.34 development or support for this research  
82.35 inventory database may be paid to the Office

83.1 of MN.IT Services. This appropriation is  
83.2 available until June 30, 2018.

83.3 (g) \$2,500,000 the first year and \$2,500,000  
83.4 the second year are to implement the  
83.5 Minnesota agricultural water quality  
83.6 certification program statewide. This  
83.7 appropriation is available until June 30, 2020.

83.8 (h) \$110,000 the first year and \$110,000 the  
83.9 second year are to provide funding for a  
83.10 regional irrigation water quality specialist  
83.11 through University of Minnesota Extension.

83.12 (i) \$175,000 the first year and \$175,000  
83.13 the second year are to evaluate market  
83.14 opportunities and develop markets for  
83.15 crops that can be profitable for farmers and  
83.16 beneficial for water quality and soil health.  
83.17 This appropriation is available until June 30,  
83.18 2018.

83.19 **Sec. 4. PUBLIC FACILITIES AUTHORITY    \$        9,250,000    \$        9,250,000**

83.20 (a) \$9,000,000 the first year and \$9,000,000  
83.21 the second year are for the point source  
83.22 implementation grants program under  
83.23 Minnesota Statutes, section 446A.073. This  
83.24 appropriation is available until June 30, 2020.

83.25 (b) \$250,000 the first year and \$250,000  
83.26 the second year are for small community  
83.27 wastewater treatment grants and loans under  
83.28 Minnesota Statutes, section 446A.075. This  
83.29 appropriation is available until June 30, 2020.

83.30 (c) If there are any uncommitted funds at  
83.31 the end of each fiscal year under paragraph  
83.32 (a) or (b), the Public Facilities Authority  
83.33 may transfer the remaining funds to eligible  
83.34 projects under any of the programs listed

84.1 in this section based on their priority rank  
 84.2 on the Pollution Control Agency's project  
 84.3 priority list.

84.4 **Sec. 5. POLLUTION CONTROL AGENCY    \$    29,325,000 \$    29,325,000**

84.5 (a) \$8,450,000 the first year and \$8,450,000  
 84.6 the second year are for completion of 20  
 84.7 percent of the needed statewide assessments  
 84.8 of surface water quality and trends. Of this  
 84.9 amount, \$500,000 each year is to monitor and  
 84.10 assess contaminants of emerging concern in  
 84.11 groundwater and surface water. If the amount  
 84.12 in the first year is insufficient, the amount in  
 84.13 the second year is available in the first year.

84.14 (b) \$10,600,000 the first year and  
 84.15 \$10,600,000 the second year are to develop  
 84.16 watershed restoration and protection  
 84.17 strategies (WRAPS), which include total  
 84.18 maximum daily load (TMDL) studies and  
 84.19 TMDL implementation plans for waters  
 84.20 listed on the Unites States Environmental  
 84.21 Protection Agency approved impaired waters  
 84.22 list in accordance with Minnesota Statutes,  
 84.23 chapter 114D. The agency shall complete an  
 84.24 average of ten percent of the TMDLs each  
 84.25 year over the biennium.

84.26 (c) \$1,450,000 the first year and \$1,450,000  
 84.27 the second year are for groundwater  
 84.28 assessment, including enhancing the  
 84.29 ambient monitoring network, modeling, and  
 84.30 evaluating trends, including the reassessment  
 84.31 of groundwater that was assessed ten to 15  
 84.32 years ago and found to be contaminated.

84.33 (d) \$750,000 the first year and \$750,000  
 84.34 the second year are for water quality

85.1 improvements in the lower St. Louis River  
85.2 and Duluth harbor within the St. Louis River  
85.3 System Area of Concern. This appropriation  
85.4 must be matched at a rate of 65 percent  
85.5 nonstate money to 35 percent state money.

85.6 (e) \$1,500,000 the first year and \$1,500,000  
85.7 the second year are for the clean water  
85.8 partnership program to provide grants  
85.9 to protect and improve the basins and  
85.10 watersheds of the state and provide financial  
85.11 and technical assistance to study waters  
85.12 with nonpoint source pollution problems.

85.13 Priority must be given to projects preventing  
85.14 impairments and degradation of lakes, rivers,  
85.15 streams, and groundwater in accordance  
85.16 with Minnesota Statutes, section 114D.20,  
85.17 subdivision 2, clause (4). Any balance  
85.18 remaining in the first year does not cancel  
85.19 and is available for the second year.

85.20 (f) \$275,000 the first year and \$275,000 the  
85.21 second year are for storm water research and  
85.22 guidance.

85.23 (g) \$1,150,000 the first year and \$1,150,000  
85.24 the second year are for TMDL research and  
85.25 database development.

85.26 (h) \$950,000 the first year and \$950,000  
85.27 the second year are for national pollutant  
85.28 discharge elimination system wastewater and  
85.29 storm water TMDL implementation efforts.

85.30 (i) \$3,750,000 the first year and \$3,750,000  
85.31 the second year are for enhancing the  
85.32 county-level delivery systems for subsurface  
85.33 sewage treatment system (SSTS) activities  
85.34 necessary to implement Minnesota Statutes,  
85.35 sections 115.55 and 115.56, for protection

86.1 of groundwater, including base grants  
86.2 for all counties with SSTS programs and  
86.3 competitive grants to counties with specific  
86.4 plans to significantly reduce water pollution  
86.5 by reducing the number of systems that  
86.6 are an imminent threat to public health or  
86.7 safety or are otherwise failing. Counties that  
86.8 receive base grants must report the number  
86.9 of sewage noncompliant properties upgraded  
86.10 through SSTS replacement, connection  
86.11 to a centralized sewer system, or other  
86.12 means, including property abandonment  
86.13 or buy-out. Counties also must report  
86.14 the number of existing SSTS compliance  
86.15 inspections conducted in areas under county  
86.16 jurisdiction. These required reports are to  
86.17 be part of established annual reporting for  
86.18 SSTS programs. Counties that conduct SSTS  
86.19 inventories or those with an ordinance in  
86.20 place that requires an SSTS to be inspected  
86.21 as a condition of transferring property or as a  
86.22 condition of obtaining a local permit must be  
86.23 given priority for competitive grants under  
86.24 this paragraph. Of this amount, \$750,000  
86.25 each year is available to counties for grants to  
86.26 low-income landowners to address systems  
86.27 that pose an imminent threat to public health  
86.28 or safety or fail to protect groundwater. A  
86.29 grant awarded under this paragraph may not  
86.30 exceed \$500,000 for the biennium. A county  
86.31 receiving a grant under this paragraph must  
86.32 submit a report to the agency listing the  
86.33 projects funded, including an account of the  
86.34 expenditures.

86.35 (j) \$400,000 the first year and \$400,000 the  
86.36 second year are for developing wastewater

87.1 treatment system designs and practices  
 87.2 and providing technical assistance. The  
 87.3 commissioner may provide financial support  
 87.4 to the Board of Regents of the University of  
 87.5 Minnesota for design teams with scientific  
 87.6 and technical expertise pertaining to  
 87.7 wastewater management and treatment.  
 87.8 Design teams will include representatives  
 87.9 from the University of Minnesota, Pollution  
 87.10 Control Agency, and municipal wastewater  
 87.11 utilities and other wastewater engineering  
 87.12 experts. The design teams shall promote the  
 87.13 use of new technology, designs, and practices  
 87.14 to address existing and emerging wastewater  
 87.15 treatment challenges, including the treatment  
 87.16 of wastewater for reuse and the emergence  
 87.17 of new and other unregulated contaminants.  
 87.18 This appropriation is available until June 30,  
 87.19 2018.

87.20 (k) \$50,000 the first year and \$50,000 the  
 87.21 second year are to support activities of the  
 87.22 Clean Water Council according to Minnesota  
 87.23 Statutes, section 114D.30, subdivision 1.

87.24 (l) Notwithstanding Minnesota Statutes,  
 87.25 section 16A.28, the appropriations in this  
 87.26 section encumbered on or before June 30,  
 87.27 2017, as grants or contracts are available  
 87.28 until June 30, 2020.

87.29 **Sec. 6. DEPARTMENT OF NATURAL**  
 87.30 **RESOURCES**

**\$ 9,475,000 \$ 9,475,000**

87.31 (a) \$2,000,000 the first year and \$2,000,000  
 87.32 the second year are for stream flow  
 87.33 monitoring.

- 88.1 (b) \$1,300,000 the first year and \$1,300,000  
88.2 the second year are for lake Index of  
88.3 Biological Integrity (IBI) assessments.
- 88.4 (c) \$135,000 the first year and \$135,000  
88.5 the second year are for assessing mercury  
88.6 and other contaminants of fish, including  
88.7 monitoring to track the status of impaired  
88.8 waters over time.
- 88.9 (d) \$1,940,000 the first year and \$1,940,000  
88.10 the second year are for developing targeted,  
88.11 science-based watershed restoration and  
88.12 protection strategies.
- 88.13 (e) \$1,375,000 the first year and \$1,375,000  
88.14 the second year are for water supply planning,  
88.15 aquifer protection, and monitoring activities.
- 88.16 (f) \$1,300,000 the first year and \$1,300,000  
88.17 the second year are for technical assistance  
88.18 to support local implementation of nonpoint  
88.19 source restoration and protection activities,  
88.20 including water quality protection in forested  
88.21 watersheds.
- 88.22 (g) \$850,000 the first year and \$850,000 the  
88.23 second year are for applied research and tools,  
88.24 including watershed hydrologic modeling;  
88.25 maintaining and updating spatial data for  
88.26 watershed boundaries, streams, and water  
88.27 bodies and integrating high-resolution digital  
88.28 elevation data; assessing effectiveness of  
88.29 forestry best management practices for water  
88.30 quality; and developing a biomonitoring  
88.31 database.
- 88.32 (h) \$250,000 the first year and \$250,000  
88.33 the second year are for developing county  
88.34 geologic atlases.



89.1 (i) \$325,000 the first year and \$325,000 the  
 89.2 second year are for color infrared imagery  
 89.3 and analysis to determine the extent of  
 89.4 permanent vegetation in riparian areas.

89.5 **Sec. 7. BOARD OF WATER AND SOIL**  
 89.6 **RESOURCES**

**\$ 48,134,000 \$ 48,134,000**

89.7 (a) \$6,000,000 the first year and \$6,000,000  
 89.8 the second year are for grants to local  
 89.9 government units organized for the  
 89.10 management of water in a watershed or  
 89.11 subwatershed that have multiyear plans  
 89.12 that will result in a significant reduction in  
 89.13 water pollution in a selected subwatershed.

89.14 The grants may be used for establishment  
 89.15 of riparian buffers; practices to store  
 89.16 water for natural treatment and infiltration,  
 89.17 including rain gardens; capturing storm  
 89.18 water for reuse; stream bank, shoreland, and  
 89.19 ravine stabilization; enforcement activities;  
 89.20 and implementation of best management  
 89.21 practices for feedlots within riparian areas  
 89.22 and other practices demonstrated to be  
 89.23 most effective in protecting, enhancing, and  
 89.24 restoring water quality in lakes, rivers, and  
 89.25 streams and protecting groundwater from  
 89.26 degradation. Grant recipients must identify  
 89.27 a nonstate match and may use other legacy  
 89.28 funds to supplement projects funded under  
 89.29 this paragraph. Grants awarded under this  
 89.30 paragraph are available for four years and  
 89.31 priority must be given to the best designed  
 89.32 plans each year.

89.33 (b) \$12,250,000 the first year and  
 89.34 \$12,250,000 the second year are for grants  
 89.35 to protect and restore surface water and

90.1 drinking water; to keep water on the land; to  
90.2 protect, enhance, and restore water quality  
90.3 in lakes, rivers, and streams; and to protect  
90.4 groundwater and drinking water, including  
90.5 feedlot water quality and subsurface sewage  
90.6 treatment system projects and stream bank,  
90.7 stream channel, shoreline restoration,  
90.8 and ravine stabilization projects. The  
90.9 projects must use practices demonstrated  
90.10 to be effective, be of long-lasting public  
90.11 benefit, include a match, and be consistent  
90.12 with total maximum daily load (TMDL)  
90.13 implementation plans, watershed restoration  
90.14 and protection strategies (WRAPS), or local  
90.15 water management plans or their equivalents.

90.16 (c) \$6,000,000 the first year and \$6,000,000  
90.17 the second year are for targeted local  
90.18 resource protection and enhancement grants  
90.19 and statewide program enhancements for  
90.20 technical assistance, citizen and community  
90.21 outreach, and training and certification, as  
90.22 well as projects, practices, and programs that  
90.23 supplement or otherwise exceed current state  
90.24 standards for protection, enhancement, and  
90.25 restoration of water quality in lakes, rivers,  
90.26 and streams or that protect groundwater from  
90.27 degradation, including compliance.

90.28 (d) \$950,000 the first year and \$950,000  
90.29 the second year are to provide state  
90.30 oversight and accountability, evaluate  
90.31 results, provide implementation tools, and  
90.32 measure the value of conservation program  
90.33 implementation by local governments,  
90.34 including submission to the legislature by  
90.35 March 1 each even-numbered year a biennial  
90.36 report prepared by the board, in consultation

91.1 with the commissioners of natural resources,  
91.2 health, agriculture, and the Pollution Control  
91.3 Agency, detailing the recipients, the projects  
91.4 funded under this section, and the amount of  
91.5 pollution reduced.

91.6 (e) \$1,000,000 the first year and \$1,000,000  
91.7 the second year are for grants to local units  
91.8 of government to enhance compliance  
91.9 with Minnesota Statutes, sections 103F.401  
91.10 to 103F.455, and Minnesota Rules, part  
91.11 6120.3300, subpart 7, including enforcement  
91.12 efforts.

91.13 (f) \$6,000,000 the first year and \$6,000,000  
91.14 the second year are to restore or preserve  
91.15 permanent conservation on riparian buffers  
91.16 adjacent to lakes, rivers, streams, and  
91.17 tributaries, to keep water on the land in order  
91.18 to decrease sediment, pollutant, and nutrient  
91.19 transport; reduce hydrologic impacts to  
91.20 surface waters; and increase infiltration for  
91.21 groundwater recharge. This appropriation  
91.22 may be used for restoration of riparian  
91.23 buffers permanently protected by easements  
91.24 purchased with this appropriation or contracts  
91.25 to achieve permanent protection for riparian  
91.26 buffers or stream bank restorations when the  
91.27 riparian buffers have been restored. Up to  
91.28 \$344,000 is for deposit in a monitoring and  
91.29 enforcement account.

91.30 (g) \$1,750,000 the first year and \$1,750,000  
91.31 the second year are for permanent  
91.32 conservation easements on wellhead  
91.33 protection areas under Minnesota Statutes,  
91.34 section 103F.515, subdivision 2, paragraph  
91.35 (d), or for grants to local units of government

92.1 for fee title acquisition to permanently  
92.2 protect groundwater supply sources on  
92.3 wellhead protection areas or for otherwise  
92.4 assuring long-term protection of groundwater  
92.5 supply sources as described under alternative  
92.6 management tools in the Department  
92.7 of Agriculture's Nitrogen Fertilizer  
92.8 Management Plan, including low nitrogen  
92.9 cropping systems or implementing nitrogen  
92.10 fertilizer best management practices. Priority  
92.11 must be placed on land that is located where  
92.12 the vulnerability of the drinking water supply  
92.13 is designated as high or very high by the  
92.14 commissioner of health and where drinking  
92.15 water protection plans have identified  
92.16 specific activities that will achieve long-term  
92.17 protection. Up to \$52,500 is for deposit in a  
92.18 monitoring and enforcement account.

92.19 (h) \$750,000 the first year and \$750,000  
92.20 the second year are for community partner  
92.21 grants to local units of government for:  
92.22 (1) structural or vegetative management  
92.23 practices that reduce storm water runoff  
92.24 from developed or disturbed lands to reduce  
92.25 the movement of sediment, nutrients, and  
92.26 pollutants for restoration, protection, or  
92.27 enhancement of water quality in lakes, rivers,  
92.28 and streams and to protect groundwater  
92.29 and drinking water; and (2) installation  
92.30 of proven and effective water retention  
92.31 practices including, but not limited to, rain  
92.32 gardens and other vegetated infiltration  
92.33 basins and sediment control basins in order  
92.34 to keep water on the land. The projects must  
92.35 be of long-lasting public benefit, include a  
92.36 local match, and be consistent with TMDL

93.1 implementation plans, watershed restoration  
93.2 and protection strategies (WRAPS), or local  
93.3 water management plans or their equivalents.  
93.4 Local government unit costs may be used as  
93.5 a match.

93.6 (i) \$84,000 the first year and \$84,000 the  
93.7 second year are for a technical evaluation  
93.8 panel to conduct ten restoration evaluations  
93.9 under Minnesota Statutes, section 114D.50,  
93.10 subdivision 6.

93.11 (j) \$2,100,000 the first year and \$2,100,000  
93.12 the second year are for assistance, oversight,  
93.13 and grants to local governments to transition  
93.14 local water management plans to a watershed  
93.15 approach as provided for in Minnesota  
93.16 Statutes, chapters 103B, 103C, 103D, and  
93.17 114D.

93.18 (k) \$750,000 the first year and \$750,000  
93.19 the second year are for technical assistance  
93.20 and grants for the conservation drainage  
93.21 program in consultation with the Drainage  
93.22 Work Group, coordinated under Minnesota  
93.23 Statutes, section 103B.101, subdivision  
93.24 13, that includes projects to improve  
93.25 multipurpose water management under  
93.26 Minnesota Statutes, section 103E.015.

93.27 (l) \$9,000,000 the first year and \$9,000,000  
93.28 the second year are to purchase and restore  
93.29 permanent conservation sites via easements  
93.30 or contracts to treat and store water on the  
93.31 land for water quality improvement purposes.  
93.32 This work must be done in cooperation with  
93.33 the United States Department of Agriculture  
93.34 with a first priority use to accomplish  
93.35 a conservation reserve enhancement

94.1 program, or equivalent, in the state. Up to  
94.2 \$1,285,000 is for deposit in a monitoring and  
94.3 enforcement account.

94.4 (m) \$1,000,000 the first year and \$1,000,000  
94.5 the second year are to purchase permanent  
94.6 conservation easements to protect lands  
94.7 adjacent to public waters with good water  
94.8 quality but threatened with degradation. Up  
94.9 to \$190,000 is for deposit in a monitoring  
94.10 and enforcement account.

94.11 (n) \$500,000 the first year and \$500,000  
94.12 the second year are for a program to  
94.13 systematically collect data and produce  
94.14 county, watershed, and statewide estimates  
94.15 of soil erosion caused by water and wind  
94.16 along with tracking adoption of conservation  
94.17 measures to address erosion.

94.18 (o) The board shall contract for delivery  
94.19 of services with Conservation Corps  
94.20 Minnesota for restoration, maintenance, and  
94.21 other activities under this section for up to  
94.22 \$500,000 the first year and up to \$500,000  
94.23 the second year.

94.24 (p) The board may shift grant or cost-share  
94.25 funds in this section and may adjust the  
94.26 technical and administrative assistance  
94.27 portion of the funds to leverage federal or  
94.28 other nonstate funds or to address oversight  
94.29 responsibilities or high-priority needs  
94.30 identified in local water management plans.

94.31 (q) The board shall require grantees to  
94.32 specify the outcomes that will be achieved  
94.33 by the grants prior to any grant awards.

94.34 (r) The appropriations in this section are  
94.35 available until June 30, 2020. Returned grant

95.1 funds are available until expended and shall  
 95.2 be regranted consistent with the purposes of  
 95.3 this section.

95.4 Sec. 8. **DEPARTMENT OF HEALTH**                    **\$**                    **4,805,000** **\$**                    **4,605,000**

95.5 (a) \$1,250,000 the first year and \$1,250,000  
 95.6 the second year are for addressing public  
 95.7 health concerns related to contaminants  
 95.8 found in Minnesota drinking water for which  
 95.9 no health-based drinking water standards  
 95.10 exist, including accelerating the development  
 95.11 of health risk limits and improving the  
 95.12 capacity of the department's laboratory to  
 95.13 analyze unregulated contaminants.

95.14 (b) \$1,900,000 the first year and \$1,900,000  
 95.15 the second year are for protection of drinking  
 95.16 water sources.

95.17 (c) \$275,000 the first year and \$275,000 the  
 95.18 second year are for cost-share assistance to  
 95.19 public and private well owners for up to 50  
 95.20 percent of the cost of sealing unused wells.

95.21 (d) \$450,000 the first year and \$450,000  
 95.22 the second year are to develop and deliver  
 95.23 groundwater restoration and protection  
 95.24 strategies for use on a watershed scale for use  
 95.25 in local water planning efforts and to provide  
 95.26 resources to local governments for drinking  
 95.27 water source protection activities.

95.28 (e) \$375,000 the first year and \$375,000 the  
 95.29 second year are for studying the occurrence  
 95.30 and magnitude of contaminants in private  
 95.31 wells and developing guidance to ensure  
 95.32 that new well placement minimizes the  
 95.33 potential for risks, in cooperation with the  
 95.34 commissioner of agriculture.

96.1 (f) \$105,000 the first year and \$105,000 the  
 96.2 second year are for monitoring recreational  
 96.3 beaches on Lake Superior for pollutants that  
 96.4 may pose a public health risk and mitigating  
 96.5 sources of bacterial contamination that are  
 96.6 identified.

96.7 (g) \$275,000 the first year and \$75,000  
 96.8 the second year are for development  
 96.9 and implementation of a groundwater  
 96.10 virus monitoring plan, including an  
 96.11 epidemiological study to determine the  
 96.12 association between groundwater virus  
 96.13 concentration and community illness rates.

96.14 (h) \$175,000 the first year and \$175,000 the  
 96.15 second year are to prepare a comprehensive  
 96.16 study of and recommendations for regulatory  
 96.17 and nonregulatory approaches to water reuse  
 96.18 for use in the development of state policy for  
 96.19 water reuse in Minnesota.

96.20 (i) Unless otherwise specified, the  
 96.21 appropriations in this section are available  
 96.22 until June 30, 2019.

96.23 **Sec. 9. METROPOLITAN COUNCIL                    \$            1,500,000 \$            1,500,000**

96.24 (a) \$1,000,000 the first year and \$1,000,000  
 96.25 the second year are to implement projects  
 96.26 that address emerging drinking water supply  
 96.27 threats, provide cost-effective regional  
 96.28 solutions, leverage interjurisdictional  
 96.29 coordination, support local implementation  
 96.30 of water supply reliability projects, and  
 96.31 prevent degradation of groundwater  
 96.32 resources in the metropolitan area. These  
 96.33 projects will provide to communities:





- 98.1 (c) \$135,000 the first year and \$135,000  
98.2 the second year are for assessing mercury  
98.3 contamination and other contaminants of  
98.4 fish, including monitoring to track the status  
98.5 of waters impaired by mercury and mercury  
98.6 reduction efforts over time.
- 98.7 (d) \$1,850,000 the first year and \$1,850,000  
98.8 the second year are for developing targeted,  
98.9 science-based watershed restoration and  
98.10 protection strategies, including regional  
98.11 technical assistance for TMDL plans and  
98.12 development of a watershed assessment tool,  
98.13 in cooperation with the commissioner of the  
98.14 Pollution Control Agency. By January 15,  
98.15 2016, the commissioner shall submit a report  
98.16 to the chairs and ranking minority members  
98.17 of the senate and house of representatives  
98.18 committees and divisions with jurisdiction  
98.19 over environment and natural resources  
98.20 policy and finance providing the outcomes  
98.21 to lakes, rivers, streams, and groundwater  
98.22 achieved with this appropriation and  
98.23 recommendations.
- 98.24 (e) \$1,375,000 the first year and \$1,375,000  
98.25 the second year are for water supply planning,  
98.26 aquifer protection, and monitoring activities.
- 98.27 (f) \$1,000,000 the first year and \$1,000,000  
98.28 the second year are for technical assistance  
98.29 to support local implementation of nonpoint  
98.30 source restoration and protection activities,  
98.31 including water quality protection in forested  
98.32 watersheds.
- 98.33 (g) \$675,000 the first year and \$675,000  
98.34 the second year are for applied research  
98.35 and tools, including watershed hydrologic

99.1 modeling; maintaining and updating spatial  
99.2 data for watershed boundaries, streams, and  
99.3 water bodies and integrating high-resolution  
99.4 digital elevation data; assessing effectiveness  
99.5 of forestry best management practices for  
99.6 water quality; and developing an ecological  
99.7 monitoring database.

99.8 (h) \$615,000 the first year and \$615,000  
99.9 the second year are for developing county  
99.10 geologic atlases.

99.11 (i) \$85,000 the first year is to develop design  
99.12 standards and best management practices  
99.13 for public water access sites to maintain and  
99.14 improve water quality by avoiding shoreline  
99.15 erosion and runoff.

99.16 (j) \$3,000,000 the first year is for beginning  
99.17 to develop and designate groundwater  
99.18 management areas under Minnesota Statutes,  
99.19 section 103G.287, subdivision 4. The  
99.20 commissioner, in consultation with the  
99.21 commissioners of the Pollution Control  
99.22 Agency, health, and agriculture, shall  
99.23 establish a uniform statewide hydrogeologic  
99.24 mapping system that will include designated  
99.25 groundwater management areas. The  
99.26 mapping system must include wellhead  
99.27 protection areas, special well construction  
99.28 areas, groundwater provinces, groundwater  
99.29 recharge areas, and other designated or  
99.30 geographical areas related to groundwater.  
99.31 This mapping system shall be used to  
99.32 implement all groundwater-related laws  
99.33 and for reporting and evaluations. This  
99.34 appropriation is available until June 30, 2017.

100.1 (k) \$500,000 the first year and \$500,000  
100.2 the second year are for ~~grants~~ a grant  
100.3 program to help counties and other local  
100.4 units of government to adopt and implement  
100.5 advanced shoreland protection ~~measures~~  
100.6 standards. The grants awarded under this  
100.7 paragraph shall be for up to \$100,000 and  
100.8 must be used to ~~restore and enhance riparian~~  
100.9 ~~areas~~ cover the costs of developing and  
100.10 adopting ordinances with advanced shoreland  
100.11 protection standards or implementing  
100.12 advanced shoreland protection standards to  
100.13 protect, enhance, and restore water quality in  
100.14 public water lakes, public water wetlands,  
100.15 and public water rivers; and streams. Grant  
100.16 recipients must submit a report to the  
100.17 commissioner on the outcomes achieved  
100.18 with the grant. ~~To be eligible for a grant~~  
100.19 ~~under this paragraph, a county or other local~~  
100.20 ~~unit of government must be adopting or have~~  
100.21 ~~adopted an ordinance for the subdivision,~~  
100.22 ~~use, redevelopment, and development of~~  
100.23 ~~shoreland that has been approved by the~~  
100.24 ~~commissioner of natural resources as having~~  
100.25 ~~advanced shoreland protection measures. An~~  
100.26 ~~ordinance~~ Recipients will be reimbursed for  
100.27 eligible costs upon adoption of ordinances  
100.28 and completion of implementation activities  
100.29 as provided in this paragraph and as  
100.30 stipulated in the grant agreement. Ordinances  
100.31 adopted under this grant program must be  
100.32 approved by the commissioner and meet or  
100.33 exceed the following standards:  
100.34 (1) requires new sewage treatment systems  
100.35 to be set back at least 100 feet from the  
100.36 ordinary high water level for recreational

101.1 development lake shorelands and 75 feet for  
 101.2 general development lake shorelands;  
 101.3 (2) requires redevelopment and new  
 101.4 development on shoreland to have at least  
 101.5 a 50-foot vegetative buffer. An access path  
 101.6 and recreational use area may be allowed;  
 101.7 (3) requires mitigation when any variance to  
 101.8 standards designed to protect public water  
 101.9 lakes, public water wetlands, and public  
 101.10 water rivers, and streams is granted;  
 101.11 (4) requires best management practices to be  
 101.12 used to control storm water and sediment as  
 101.13 part of a land alteration;  
 101.14 (5) includes other ~~criteria~~ standards  
 101.15 developed by the commissioner; and  
 101.16 (6) has been adopted by July 1, ~~2015~~ 2017.  
 101.17 An ordinance that does not exceed all the  
 101.18 standards in clauses (1) to (5) is considered  
 101.19 to meet the requirement if the commissioner  
 101.20 determines that the ordinance provides  
 101.21 significantly greater protection for both  
 101.22 public waters and shoreland shorelands than  
 101.23 those standards. Implementation activities  
 101.24 funded under this grant program must meet  
 101.25 the advanced shoreland protection standards  
 101.26 and criteria described above. Grants awarded  
 101.27 under this program may not be used to  
 101.28 reimburse ordinance adoption or shoreland  
 101.29 protection implementation expenses incurred  
 101.30 prior to the date of a fully executed grant  
 101.31 agreement.  
 101.32 The commissioner of natural resources may  
 101.33 develop additional criteria for the grants  
 101.34 awarded under this ~~paragraph~~ program. In

102.1 developing the criteria, the commissioner  
102.2 shall consider the proposed changes to  
102.3 the department's shoreland rules discussed  
102.4 during the rulemaking process authorized  
102.5 under Laws 2007, chapter 57, article 1,  
102.6 section 4, subdivision 3.

102.7 This appropriation is available until spent.

102.8 (l) \$100,000 the first year is for the  
102.9 commissioner of natural resources for  
102.10 rulemaking under Minnesota Statutes,  
102.11 section 116G.15, subdivision 7.

102.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

102.13 Sec. 11. **CANCELLATION OF PRIOR APPROPRIATIONS.**

102.14 (a) The unspent balance of the appropriation to the Public Facilities Authority for the  
102.15 clean water legacy phosphorus reduction grant program under Minnesota Statutes, section  
102.16 446A.074, in Laws 2009, chapter 172, article 2, section 3, paragraph (b), is canceled.

102.17 (b) The unspent balance of the appropriation to the Public Facilities Authority for  
102.18 the clean water legacy phosphorus reduction grant program under Minnesota Statutes,  
102.19 section 446A.074, in Laws 2011, First Special Session chapter 6, article 2, section 4,  
102.20 paragraph (b), is canceled.

102.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

APPENDIX  
Article locations in 15-2197

ARTICLE 1	AGRICULTURE APPROPRIATIONS .....	Page.Ln 1.28
ARTICLE 2	AGRICULTURE POLICY .....	Page.Ln 10.24
	ENVIRONMENT AND NATURAL RESOURCES	
ARTICLE 3	AGRICULTURE APPROPRIATIONS .....	Page.Ln 40.18
	ENVIRONMENT AND NATURAL RESOURCES STATUTORY	
ARTICLE 4	CHANGES .....	Page.Ln 62.14
ARTICLE 5	PARKS AND TRAILS FUND .....	Page.Ln 77.9
ARTICLE 6	CLEAN WATER FUND .....	Page.Ln 80.17

**17.115 SHARED SAVINGS LOAN PROGRAM.**

Subdivision 1. **Establishment.** The commissioner shall establish a shared savings loan program to provide loans that enable farmers to adopt best management practices that emphasize sufficiency and self-sufficiency in agricultural inputs, including energy efficiency, reduction or improved management of inputs, increasing energy production by agricultural producers, and environmental improvements.

Subd. 2. **Loan criteria.** (a) The shared savings loan program must provide loans for purchase of new or used machinery and installation of equipment for projects that make environmental improvements and enhance farm profitability. Eligible loan uses do not include seed, fertilizer, or fuel.

(b) Loans may not exceed \$40,000 per individual applying for a loan and may not exceed \$160,000 for loans to four or more individuals on joint projects. The loan repayment period may be up to seven years as determined by project cost and energy savings. The interest rate on the loans must not exceed six percent.

(c) Loans may only be made to residents of this state engaged in farming.

Subd. 3. **Awarding of loans.** (a) Applications for loans must be made to the commissioner on forms prescribed by the commissioner.

(b) The applications must be reviewed, ranked, and recommended by a loan review panel appointed by the commissioner. The loan review panel shall consist of two lenders with agricultural experience, two resident farmers of the state using sustainable agriculture methods, two resident farmers of the state using organic agriculture methods, a farm management specialist, a representative from a postsecondary education institution, and a chair from the department.

(c) The loan review panel shall rank applications according to the following criteria:

- (1) realize savings to the cost of agricultural production;
- (2) reduce or make more efficient use of energy or inputs;
- (3) increase overall farm profitability; and
- (4) result in environmental benefits.

(d) A loan application must show that the loan can be repaid by the applicant.

(e) The commissioner must consider the recommendations of the loan review panel and may make loans for eligible projects.

Subd. 4. **Administration; information dissemination.** The amount in the revolving loan account is appropriated to the commissioner to make loans under this section and administer the loan program. The interest on the money in the revolving loan account and the interest on loans repaid to the state may be spent by the commissioner for administrative expenses. The commissioner shall collect and disseminate information relating to projects for which loans are given under this section.

Subd. 5. **Farm manure digester technology.** Appropriations in Laws 1998, chapter 401, section 6, must be used for revolving loans for demonstration projects of farm manure digester technology. Notwithstanding the limitations of subdivision 2, paragraphs (b) and (c), loans under this subdivision are no-interest loans in principal amounts not to exceed \$200,000 and may be made to any resident of this state. Loans for one or more projects must be made only after the commissioner seeks applications. Loans under this program may be used as a match for federal loans or grants. Money repaid from loans must be returned to the revolving fund for future projects.

**28A.08 LICENSE FEES; PENALTIES.**

Subd. 3. **Fees effective July 1, 2003.**

Type of food handler	Penalties		
	License Fee Effective July 1, 2003	Late Renewal	NoLicense
1. Retail food handler			
(a) Having gross sales of only prepackaged nonperishable food of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner	\$ 50	\$ 17	\$ 33



APPENDIX  
Repealed Minnesota Statutes: 15-2197

(b) Having under \$15,000 gross sales or service including food preparation or having \$15,000 to \$50,000 gross sales or service for the immediately previous license or fiscal year	\$ 77	\$ 25	\$ 51
(c) Having \$50,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$155	\$ 51	\$102
(d) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year	\$276	\$ 91	\$182
(e) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$799	\$264	\$527
(f) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,162	\$383	\$767
(g) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,376	\$454	\$908
(h) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,607	\$530	\$1,061
(i) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,847	\$610	\$1,219
(j) Having over \$25,000,001 gross sales or service for the immediately previous license or fiscal year	\$2,001	\$660	\$1,321
2. Wholesale food handler			
(a) Having gross sales or service of less than \$25,000 for the immediately previous license or fiscal year	\$ 57	\$ 19	\$ 38
(b) Having \$25,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$284	\$ 94	\$187
(c) Having \$250,001 to \$1,000,000 gross sales or service from a mobile unit without a separate food facility for the immediately previous license or fiscal year	\$444	\$147	\$293
(d) Having \$250,001 to \$1,000,000 gross sales or service not covered under paragraph (c) for the immediately previous license or fiscal year	\$590	\$195	\$389
(e) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$769	\$254	\$508
(f) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	\$920	\$304	\$607
(g) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year	\$990	\$327	\$653
(h) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,156	\$381	\$763

APPENDIX  
Repealed Minnesota Statutes: 15-2197

(i) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,329	\$439	\$877
(j) Having over \$25,000,001 or more gross sales or service for the immediately previous license or fiscal year	\$1,502	\$496	\$991
3. Food broker	\$150	\$ 50	\$ 99
4. Wholesale food processor or manufacturer			
(a) Having gross sales or service of less than \$125,000 for the immediately previous license or fiscal year	\$169	\$ 56	\$112
(b) Having \$125,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$392	\$129	\$259
(c) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year	\$590	\$195	\$389
(d) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$769	\$254	\$508
(e) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	\$920	\$304	\$607
(f) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,377	\$454	\$909
(g) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,608	\$531	\$1,061
(h) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,849	\$610	\$1,220
(i) Having \$25,000,001 to \$50,000,000 gross sales or service for the immediately previous license or fiscal year	\$2,090	\$690	\$1,379
(j) Having \$50,000,001 to \$100,000,000 gross sales or service for the immediately previous license or fiscal year	\$2,330	\$769	\$1,538
(k) Having \$100,000,000 or more gross sales or service for the immediately previous license or fiscal year	\$2,571	\$848	\$1,697
5. Wholesale food processor of meat or poultry products under supervision of the U.S. Department of Agriculture			
(a) Having gross sales or service of less than \$125,000 for the immediately previous license or fiscal year	\$112	\$ 37	\$ 74
(b) Having \$125,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$214	\$ 71	\$141
(c) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year	\$333	\$110	\$220

APPENDIX  
Repealed Minnesota Statutes: 15-2197

(d) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$425	\$140	\$281
(e) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	\$521	\$172	\$344
(f) Having over \$10,000,001 gross sales or service for the immediately previous license or fiscal year	\$765	\$252	\$505
(g) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$893	\$295	\$589
(h) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,027	\$339	\$678
(i) Having \$25,000,001 to \$50,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,161	\$383	\$766
(j) Having \$50,000,001 to \$100,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,295	\$427	\$855
(k) Having \$100,000,001 or more gross sales or service for the immediately previous license or fiscal year	\$1,428	\$471	\$942
6. Wholesale food processor or manufacturer operating only at the State Fair	\$125	\$ 40	\$ 50
7. Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota Farmstead cheese	\$ 30	\$ 10	\$ 15
8. Wholesale food manufacturer processing less than 700,000 pounds per year of raw milk	\$ 30	\$ 10	\$ 15
9. A milk marketing organization without facilities for processing or manufacturing that purchases milk from milk producers for delivery to a licensed wholesale food processor or manufacturer	\$ 50	\$ 15	\$ 25

**41A.12 AGRICULTURAL GROWTH, RESEARCH, AND INNOVATION PROGRAM.**

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

**84.68 FORESTS FOR THE FUTURE CONSERVATION EASEMENT ACCOUNT.**

Subdivision 1. **Account established; sources.** The forests for the future conservation easement account is created in the natural resources fund in the state treasury. The following revenue shall be deposited in the account:

- (1) contributions to the account or specified for any purposes of the account;
- (2) financial contributions required under section 84.66, subdivision 11, or other applicable law; and
- (3) money appropriated or transferred for the purposes described in subdivision 2.

Interest earned on money in the account accrues to the account.

Subd. 2. **Appropriation; purposes of account.** Four percent of the balance on July 1 in the forests for the future conservation easement account is annually appropriated to the commissioner of natural resources and may be spent only to cover the costs of managing forests for the future conservation easements held by the Department of Natural Resources, including costs incurred from monitoring, landowner contracts, record keeping, processing landowner notices, requests for approval or amendments, and enforcement.