

13.16 **ARTICLE 2**  
13.17 **AGRICULTURE POLICY**

78.12 **ARTICLE 3**  
78.13 **AGRICULTURE**

13.18 Section 1. Minnesota Statutes 2012, section 17.03, subdivision 3, is amended to read:

13.19 Subd. 3. **Cooperation with federal agencies.** (a) The commissioner shall cooperate  
13.20 with the government of the United States, with financial agencies created to assist in the  
13.21 development of the agricultural resources of this state, and so far as practicable may use  
13.22 the facilities provided by the existing state departments and the various state and local  
13.23 organizations. This subdivision is intended to relate to every function and duty which  
13.24 devolves upon the commissioner.

13.25 (b) The commissioner may apply for, receive, and disburse federal funds made  
13.26 available to the state by federal law or regulation for any purpose related to the powers and  
13.27 duties of the commissioner. All money received by the commissioner under this paragraph  
13.28 shall be deposited in the state treasury and is appropriated to the commissioner for the  
13.29 purposes for which it was received. Money made available under this paragraph may  
13.30 be paid pursuant to applicable federal regulations and rate structures. Money received  
13.31 under this paragraph does not cancel and is available for expenditure according to federal  
13.32 law. The commissioner may contract with and enter into grant agreements with persons,  
13.33 organizations, educational institutions, firms, corporations, other state agencies, and any  
14.1 agency or instrumentality of the federal government to carry out agreements made with  
14.2 the federal government relating to the expenditure of money under this paragraph. Bid  
14.3 requirements under chapter 16C do not apply to contracts under this paragraph.

14.4 Sec. 2. Minnesota Statutes 2012, section 17.1015, is amended to read:

14.5 **17.1015 PROMOTIONAL EXPENDITURES.**

14.6 In order to accomplish the purposes of section 17.101, the commissioner may  
14.7 participate jointly with private persons in appropriate programs and projects and may enter  
14.8 into contracts to carry out those programs and projects. The contracts may not include  
14.9 the acquisition of land or buildings and are not subject to the provisions of chapter 16C  
14.10 relating to competitive bidding.

14.11 The commissioner may spend money appropriated for the purposes of section  
14.12 17.101 in the same manner that private persons, firms, corporations, and associations  
14.13 make expenditures for these purposes, and expenditures made pursuant to section 17.101  
14.14 for food, lodging, or travel are not governed by the travel rules of the commissioner of  
14.15 management and budget.

14.16 Sec. 3. Minnesota Statutes 2012, section 17.118, subdivision 2, is amended to read:

88.14 Sec. 6. Minnesota Statutes 2012, section 17.03, subdivision 3, is amended to read:

88.15 Subd. 3. **Cooperation with federal agencies.** (a) The commissioner shall cooperate  
88.16 with the government of the United States, with financial agencies created to assist in the  
88.17 development of the agricultural resources of this state, and so far as practicable may use  
88.18 the facilities provided by the existing state departments and the various state and local  
88.19 organizations. This subdivision is intended to relate to every function and duty which  
88.20 devolves upon the commissioner.

88.21 (b) The commissioner may apply for, receive, and disburse federal funds made  
88.22 available to the state by federal law or regulation for any purpose related to the powers and  
88.23 duties of the commissioner. All money received by the commissioner under this paragraph  
88.24 shall be deposited in the state treasury and is appropriated to the commissioner for the  
88.25 purposes for which it was received. Money made available under this paragraph may  
88.26 be paid pursuant to applicable federal regulations and rate structures. Money received  
88.27 under this paragraph does not cancel and is available for expenditure according to federal  
88.28 law. The commissioner may contract with and enter into grant agreements with persons,  
88.29 organizations, educational institutions, firms, corporations, other state agencies, and any  
88.30 agency or instrumentality of the federal government to carry out agreements made with  
88.31 the federal government relating to the expenditure of money under this paragraph. Bid  
88.32 requirements under chapter 16C do not apply to contracts under this paragraph.

89.1 Sec. 7. Minnesota Statutes 2012, section 17.1015, is amended to read:

89.2 **17.1015 PROMOTIONAL EXPENDITURES.**

89.3 In order to accomplish the purposes of section 17.101, the commissioner may  
89.4 participate jointly with private persons in appropriate programs and projects and may enter  
89.5 into contracts to carry out those programs and projects. The contracts may not include  
89.6 the acquisition of land or buildings and are not subject to the provisions of chapter 16C  
89.7 relating to competitive bidding.

89.8 The commissioner may spend money appropriated for the purposes of section  
89.9 17.101 in the same manner that private persons, firms, corporations, and associations  
89.10 make expenditures for these purposes, and expenditures made pursuant to section 17.101  
89.11 for food, lodging, or travel are not governed by the travel rules of the commissioner of  
89.12 management and budget.

**S1160-2**

1.28 Section 1. Minnesota Statutes 2012, section 17.118, subdivision 2, is amended to read:

14.17 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this 14.18 subdivision have the meanings given them.

14.19 (b) "Livestock" means beef cattle, dairy cattle, swine, poultry, goats, mules, farmed 14.20 cervidae, ratitae, bison, sheep, horses, and llamas.

14.21 (c) "Qualifying expenditures" means the amount spent for:

14.22 (1) the acquisition, construction, or improvement of buildings or facilities for the 14.23 production of livestock or livestock products;

14.24 (2) the development of pasture for use by livestock including, but not limited to, the 14.25 acquisition, development, or improvement of:

14.26 (i) lanes used by livestock that connect pastures to a central location;

14.27 (ii) watering systems for livestock on pasture including water lines, booster pumps, 14.28 and well installations;

14.29 (iii) livestock stream crossing stabilization; and

14.30 (iv) fences; or

14.31 (3) the acquisition of equipment for livestock housing, confinement, feeding, and 14.32 waste management including, but not limited to, the following:

14.33 (i) freestall barns;

14.34 (ii) watering facilities;

15.1 (iii) feed storage and handling equipment;

15.2 (iv) milking parlors;

15.3 (v) robotic equipment;

15.4 (vi) scales;

15.5 (vii) milk storage and cooling facilities;

15.6 (viii) bulk tanks;

15.7 (ix) computer hardware and software and associated equipment used to monitor

15.8 the productivity and feeding of livestock;

15.9 (x) manure pumping and storage facilities;

15.10 (xi) swine farrowing facilities;

15.11 (xii) swine and cattle finishing barns;

15.12 (xiii) calving facilities;

1.29 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this 1.30 subdivision have the meanings given them.

2.1 (b) "Livestock" means beef cattle, dairy cattle, swine, poultry, goats, mules, farmed 2.2 cervidae, ratitae, bison, sheep, horses, and llamas.

2.3 (c) "Qualifying expenditures" means the amount spent for:

2.4 (1) the acquisition, construction, or improvement of buildings or facilities for the 2.5 production of livestock or livestock products;

2.6 (2) the development of pasture for use by livestock including, but not limited to, the 2.7 acquisition, development, or improvement of:

2.8 (i) lanes used by livestock that connect pastures to a central location;

2.9 (ii) watering systems for livestock on pasture including water lines, booster pumps, 2.10 and well installations;

2.11 (iii) livestock stream crossing stabilization; and

2.12 (iv) fences; or

2.13 (3) the acquisition of equipment for livestock housing, confinement, feeding, and 2.14 waste management including, but not limited to, the following:

2.15 (i) freestall barns;

2.16 (ii) watering facilities;

2.17 (iii) feed storage and handling equipment;

2.18 (iv) milking parlors;

2.19 (v) robotic equipment;

2.20 (vi) scales;

2.21 (vii) milk storage and cooling facilities;

2.22 (viii) bulk tanks;

2.23 (ix) computer hardware and software and associated equipment used to monitor

2.24 the productivity and feeding of livestock;

2.25 (x) manure pumping and storage facilities;

2.26 (xi) swine farrowing facilities;

2.27 (xii) swine and cattle finishing barns;

2.28 (xiii) calving facilities;

15.13 (xiv) digesters;

15.14 (xv) equipment used to produce energy;

15.15 (xvi) on-farm processing facilities equipment;

15.16 (xvii) fences; and

15.17 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

15.18 Except for qualifying pasture development expenditures under clause (2), qualifying

15.19 expenditures only include amounts that are allowed to be capitalized and deducted under

15.20 either section 167 or 179 of the Internal Revenue Code in computing federal taxable

15.21 income. Qualifying expenditures do not include an amount paid to refinance existing debt.

15.22 (d) "Qualifying period" means, for a grant awarded during a fiscal year, that full

15.23 calendar year of which the first six months precede the first day of the current fiscal year. For

15.24 example, an eligible person who makes qualifying expenditures during calendar year 2008

15.25 is eligible to receive a livestock investment grant between July 1, 2008, and June 30, 2009.

15.26 Sec. 4. **[17.9891] PURPOSE.**

15.27 The commissioner, in consultation with the commissioner of natural resources,

15.28 commissioner of the Pollution Control Agency, and Board of Water and Soil Resources,

15.29 may implement a Minnesota agricultural water quality certification program whereby a

15.30 producer who demonstrates practices and management sufficient to protect water quality

15.31 is certified for up to ten years and presumed to be contributing the producer's share of

15.32 any targeted reduction of water pollutants during the certification period. The program

15.33 is voluntary. The program will first be piloted in selected watersheds across the state,

15.34 until such time as the commissioner, in consultation with the commissioner of natural

16.1 resources, commissioner of the Pollution Control Agency, and Board of Water and Soil

16.2 Resources, determines the program is ready for expansion.

16.3 Sec. 5. **[17.9892] DEFINITIONS.**

16.4 Subdivision 1. **Application.** The definitions in this section apply to sections

16.5 17.9891 to 17.993.

16.6 Subd. 2. **Certification.** "Certification" means a producer has demonstrated

16.7 compliance with all applicable environmental rules and statutes for all of the producer's

16.8 owned and rented agricultural land and has achieved a satisfactory score through the

16.9 certification instrument as verified by a certifying agent.

16.10 Subd. 3. **Certifying agent.** "Certifying agent" means a person who is authorized

16.11 by the commissioner to assess producers to determine whether a producer satisfies the

16.12 standards of the program.

2.29 (xiv) digesters;

2.30 (xv) equipment used to produce energy;

2.31 (xvi) on-farm processing facilities equipment;

2.32 (xvii) fences; and

2.33 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

2.34 Except for qualifying pasture development expenditures under clause (2), qualifying

2.35 expenditures only include amounts that are allowed to be capitalized and deducted under

3.1 either section 167 or 179 of the Internal Revenue Code in computing federal taxable

3.2 income. Qualifying expenditures do not include an amount paid to refinance existing debt.

3.3 (d) "Qualifying period" means, for a grant awarded during a fiscal year, that full

3.4 calendar year of which the first six months precede the first day of the current fiscal year. For

3.5 example, an eligible person who makes qualifying expenditures during calendar year 2008

3.6 is eligible to receive a livestock investment grant between July 1, 2008, and June 30, 2009.

16.13 Subd. 4. **Effective control.** "Effective control" means possession of land by  
16.14 ownership, written lease, or other legal agreement and authority to act as decision  
16.15 maker for the day-to-day management of the operation at the time the producer achieves  
16.16 certification and for the required certification period.

16.17 Subd. 5. **Eligible land.** "Eligible land" means all acres of a producer's agricultural  
16.18 operation, whether contiguous or not, that are under the effective control of the producer  
16.19 at the time the producer enters into the program and that the producer operates with  
16.20 equipment, labor, and management.

16.21 Subd. 6. **Program.** "Program" means the Minnesota agricultural water quality  
16.22 certification program.

16.23 Subd. 7. **Technical assistance.** "Technical assistance" means professional, advisory,  
16.24 or cost-share assistance provided to individuals in order to achieve certification.

16.25 Sec. 6. **[17.9893] CERTIFICATION INSTRUMENT.**

16.26 The commissioner, in consultation with the commissioner of natural resources,  
16.27 commissioner of the Pollution Control Agency, and Board of Water and Soil Resources,  
16.28 shall develop an analytical instrument to assess the water quality practices and  
16.29 management of agricultural operations. This instrument shall be used to certify that the  
16.30 water quality practices and management of an agricultural operation are consistent with  
16.31 state water quality goals and standards. The commissioner shall define a satisfactory score  
16.32 for certification purposes. The certification instrument tool shall:

16.33 (1) integrate applicable existing regulatory requirements;

16.34 (2) utilize technology and prioritize ease of use;

17.1 (3) utilize a water quality index or score applicable to the landscape;

17.2 (4) incorporate a process for updates and revisions as practices, management, and

17.3 technology changes become established and approved; and

17.4 (5) comprehensively address water quality impacts.

17.5 Sec. 7. **[17.9894] CERTIFYING AGENT LICENSE.**

17.6 Subdivision 1. **License.** A person who offers certification services to producers  
17.7 as part of the program must satisfy all criteria in subdivision 2 and be licensed by  
17.8 the commissioner. A certifying agent is ineligible to provide certification services  
17.9 to any producer to whom the certifying agent has also provided technical assistance.  
17.10 Notwithstanding section 16A.1283, the commissioner may set license fees.

17.11 Subd. 2. **Certifying agent requirements.** In order to be licensed as a certifying

17.12 agent, a person must:

17.13 (1) be an agricultural conservation professional employed by the state of Minnesota,  
17.14 a soil and water conservation district, or the Natural Resources Conservation Service or a  
17.15 Minnesota certified crop advisor as recognized by the American Society of Agronomy;

17.16 (2) have passed a comprehensive exam, as set by the commissioner, evaluating  
17.17 knowledge of water quality, soil health, best farm management techniques, and the  
17.18 certification instrument; and

17.19 (3) maintain continuing education requirements as set by the commissioner.

17.20 Sec. 8. **[17.9895] DUTIES OF A CERTIFYING AGENT.**

17.21 Subdivision 1. **Duties.** A certifying agent shall conduct a formal certification  
17.22 assessment utilizing the certification instrument to determine whether a producer meets  
17.23 program criteria. If a producer satisfies all requirements, the certifying agent shall notify  
17.24 the commissioner of the producer's eligibility and request that the commissioner issue a  
17.25 certificate. All records and documents used in the assessment shall be compiled by the  
17.26 certifying agent and submitted to the commissioner.

17.27 Subd. 2. **Violations.** (a) In the event a certifying agent violates any provision of  
17.28 sections 17.9891 to 17.993 or an order of the commissioner, the commissioner may issue a  
17.29 written warning or a correction order and may suspend or revoke a license.

17.30 (b) If the commissioner suspends or revokes a license, the certifying agent has ten  
17.31 days from the date of suspension or revocation to appeal. If a certifying agent appeals, the  
17.32 commissioner shall hold an administrative hearing within 30 days of the suspension or  
17.33 revocation of the license, or longer by agreement of the parties, to determine whether the  
17.34 license is revoked or suspended. The commissioner shall issue an opinion within 30 days.  
18.1 If a person notifies the commissioner that the person intends to contest the commissioner's  
18.2 opinion, the Office of Administrative Hearings shall conduct a hearing in accordance with  
18.3 the applicable provisions of chapter 14 for hearings in contested cases.

18.4 Sec. 9. **[17.9896] CERTIFICATION PROCEDURES.**

18.5 Subdivision 1. **Producer duties.** A producer who seeks certification of eligible land  
18.6 shall conduct an initial assessment using the certification instrument, obtain technical  
18.7 assistance if necessary to achieve a satisfactory score on the certification instrument, and  
18.8 apply for certification from a licensed certifying agent.

18.9 Subd. 2. **Additional land.** Once certified, if a producer obtains effective control  
18.10 of additional agricultural land, the producer must notify a certifying agent and obtain  
18.11 certification of the additional land within one year in order to retain the producer's original  
18.12 certification.

18.13 Subd. 3. **Violations.** (a) The commissioner may revoke a certification if the  
18.14 producer fails to obtain certification on any additional land for which the producer obtains  
18.15 effective control.

- 18.16 (b) The commissioner may revoke a certification and seek reimbursement of any  
18.17 monetary benefit a producer may have received due to certification from a producer who  
18.18 fails to maintain certification criteria.
- 18.19 (c) If the commissioner revokes a certification, the producer has ten days from the  
18.20 date of suspension or revocation to appeal. If a producer appeals, the commissioner shall  
18.21 hold an administrative hearing within 30 days of the suspension or revocation of the  
18.22 certification, or longer by agreement of the parties, to determine whether the certification  
18.23 is revoked or suspended. The commissioner shall issue an opinion within 30 days. If the  
18.24 producer notifies the commissioner that the producer intends to contest the commissioner's  
18.25 opinion, the Office of Administrative Hearings shall conduct a hearing in accordance with  
18.26 the applicable provisions of chapter 14 for hearings in contested cases.
- 18.27 Sec. 10. **[17.9897] CERTIFICATION CERTAINTY.**
- 18.28 (a) Once a producer is certified, the producer:
- 18.29 (1) retains certification for up to ten years from the date of certification if the  
18.30 producer complies with the certification agreement, even if the producer does not comply  
18.31 with new state water protection laws or rules that take effect during the certification period;
- 18.32 (2) is presumed to be meeting the producer's contribution to any targeted reduction  
18.33 of pollutants during the certification period;
- 19.1 (3) is required to continue implementation of practices that maintain the producer's  
19.2 certification; and
- 19.3 (4) is required to retain all records pertaining to certification.
- 19.4 (b) Paragraph (a) does not preclude enforcement of a local rule or ordinance by a  
19.5 local unit of government.
- 19.6 Sec. 11. **[17.9898] AUDITS.**
- 19.7 The commissioner shall perform random audits of producers and certifying agents to  
19.8 ensure compliance with the program. All producers and certifying agents shall cooperate  
19.9 with the commissioner during these audits, and provide all relevant documents to the  
19.10 commissioner for inspection and copying. Any delay, obstruction, or refusal to cooperate  
19.11 with the commissioner's audit or falsification of or failure to provide required data or  
19.12 information is a violation subject to the provisions of section 17.9895, subdivision 2, or  
19.13 17.9896, subdivision 3.
- 19.14 Sec. 12. **[17.9899] DATA.**

19.15 All data collected under the program that identifies a producer or a producer's  
 19.16 location are considered nonpublic data as defined in section 13.02, subdivision 9, or  
 19.17 private data on individuals as defined in section 13.02, subdivision 12. The commissioner  
 19.18 shall make available summary data of program outcomes on data classified as private  
 19.19 or nonpublic under this section.

19.20 Sec. 13. **[17.991] RULEMAKING.**

19.21 The commissioner may adopt rules to implement the program.

19.22 Sec. 14. **[17.992] REPORTS.**

19.23 The commissioner, in consultation with the commissioner of natural resources,  
 19.24 commissioner of the Pollution Control Agency, and Board of Water and Soil Resources,  
 19.25 shall issue a biennial report to the chairs and ranking minority members of the legislative  
 19.26 committees with jurisdiction over agricultural policy on the status of the program.

19.27 Sec. 15. **[17.993] FINANCIAL ASSISTANCE.**

19.28 The commissioner may use contributions from gifts or other state accounts, provided  
 19.29 that the purpose of the expenditure is consistent with the purpose of the accounts, for  
 19.30 grants, loans, or other financial assistance.

20.1 Sec. 16. Minnesota Statutes 2012, section 18.77, subdivision 3, is amended to read:

20.2 Subd. 3. **Control.** "Control" means to ~~destroy all or part of the aboveground~~  
 20.3 ~~growth of noxious weeds manage or prevent the maturation and spread of propagating~~  
 20.4 ~~parts of noxious weeds from one area to another~~ by a lawful method that does not cause  
 20.5 unreasonable adverse effects on the environment as defined in section 18B.01, subdivision  
 20.6 31, ~~and prevents the maturation and spread of noxious weed propagating parts from one~~  
 20.7 ~~area to another.~~

20.8 Sec. 17. Minnesota Statutes 2012, section 18.77, subdivision 4, is amended to read:

20.9 Subd. 4. **Eradicate.** "Eradicate" means to destroy the aboveground ~~growth and the~~  
 20.10 ~~roots and belowground plant parts~~ of noxious weeds by a lawful method ~~that, which~~  
 20.11 prevents the maturation and spread of noxious weed propagating parts from one area  
 20.12 to another.

20.13 Sec. 18. Minnesota Statutes 2012, section 18.77, subdivision 10, is amended to read:

20.14 Subd. 10. **Permanent pasture, hay meadow, woodlot, and or other noncrop**  
 20.15 **area.** "Permanent pasture, hay meadow, woodlot, ~~and or~~ other noncrop area" means an  
 20.16 area of predominantly native or seeded perennial plants that can be used for grazing or hay  
 20.17 purposes but is not harvested on a regular basis and is not considered to be a growing crop.

20.18 Sec. 19. Minnesota Statutes 2012, section 18.77, subdivision 12, is amended to read:

21.12 Section 1. Minnesota Statutes 2012, section 18.77, subdivision 3, is amended to read:

21.13 Subd. 3. **Control.** "Control" means to ~~destroy all or part of the aboveground~~  
 21.14 ~~growth of noxious weeds manage or prevent the maturation and spread of propagating~~  
 21.15 ~~parts of noxious weeds from one area to another~~ by a lawful method that does not cause  
 21.16 unreasonable adverse effects on the environment as defined in section 18B.01, subdivision  
 21.17 31, ~~and prevents the maturation and spread of noxious weed propagating parts from one~~  
 21.18 ~~area to another.~~

21.19 Sec. 2. Minnesota Statutes 2012, section 18.77, subdivision 4, is amended to read:

21.20 Subd. 4. **Eradicate.** "Eradicate" means to destroy the aboveground ~~growth and the~~  
 21.21 ~~roots and belowground plant parts~~ of noxious weeds by a lawful method ~~that which~~ prevents  
 21.22 the maturation and spread of noxious weed propagating parts from one area to another.

21.23 Sec. 3. Minnesota Statutes 2012, section 18.77, subdivision 10, is amended to read:

21.24 Subd. 10. **Permanent pasture, hay meadow, woodlot, and or other noncrop**  
 21.25 **area.** "Permanent pasture, hay meadow, woodlot, ~~and or~~ other noncrop area" means an  
 21.26 area of predominantly native or seeded perennial plants that can be used for grazing or hay  
 21.27 purposes but is not harvested on a regular basis and is not considered to be a growing crop.

21.28 Sec. 4. Minnesota Statutes 2012, section 18.77, subdivision 12, is amended to read:

20.19 Subd. 12. **Propagating parts.** "Propagating parts" means all plant parts, including  
 20.20 seeds, that are capable of producing new plants.

20.21 Sec. 20. **[18.771] NOXIOUS WEED CATEGORIES.**

20.22 (a) For purposes of this section, noxious weed category includes each of the  
 20.23 following categories.

20.24 (b) "Prohibited noxious weeds" includes noxious weeds that must be controlled or  
 20.25 eradicated on all lands within the state. Transportation of a prohibited noxious weed's  
 20.26 propagating parts is restricted by permit except as allowed by section 18.82. Prohibited  
 20.27 noxious weeds may not be sold or propagated in Minnesota. There are two regulatory  
 20.28 listings for prohibited noxious weeds in Minnesota:

20.29 (1) the noxious weed eradicate list is established. Prohibited noxious weeds placed  
 20.30 on the noxious weed eradicate list are plants that are not currently known to be present in  
 20.31 Minnesota or are not widely established. These species must be eradicated; and

21.1 (2) the noxious weed control list is established. Prohibited noxious weeds placed on  
 21.2 the noxious weed control list are plants that are already established throughout Minnesota  
 21.3 or regions of the state. Species on this list must at least be controlled.

21.4 (c) "Restricted noxious weeds" includes noxious weeds that are widely distributed  
 21.5 in Minnesota, but for which the only feasible means of control is to prevent their spread  
 21.6 by prohibiting the importation, sale, and transportation of their propagating parts in the  
 21.7 state, except as allowed by section 18.82.

21.8 (d) "Specially regulated plants" includes noxious weeds that may be native  
 21.9 species or have demonstrated economic value, but also have the potential to cause harm  
 21.10 in noncontrolled environments. Plants designated as specially regulated have been  
 21.11 determined to pose ecological, economical, or human or animal health concerns. Species  
 21.12 specific management plans or rules that define the use and management requirements  
 21.13 for these plants must be developed by the commissioner of agriculture for each plant  
 21.14 designated as specially regulated. The commissioner must also take measures to minimize  
 21.15 the potential for harm caused by these plants.

21.16 (e) "County noxious weeds" includes noxious weeds that are designated by  
 21.17 individual county boards to be enforced as prohibited noxious weeds within the county's  
 21.18 jurisdiction and must be approved by the commissioner of agriculture, in consultation with  
 21.19 the Noxious Weed Advisory Committee. Each county board must submit newly proposed  
 21.20 county noxious weeds to the commissioner of agriculture for review. Approved county  
 21.21 noxious weeds shall also be posted with the county's general weed notice prior to May 15  
 21.22 each year. Counties are solely responsible for developing county noxious weed lists and  
 21.23 their enforcement.

21.24 Sec. 21. Minnesota Statutes 2012, section 18.78, subdivision 3, is amended to read:

21.29 Subd. 12. **Propagating parts.** "Propagating parts" means all plant parts, including  
 21.30 seeds, that are capable of producing new plants.

22.1 Sec. 5. **[18.771] NOXIOUS WEED CATEGORIES.**

22.2 (a) For purposes of designation under section 18.79, subdivision 13, noxious weed  
 22.3 category means each of the following categories.

22.4 (b) "Prohibited noxious weed" includes noxious weeds that must be controlled or  
 22.5 eradicated on all lands within the state. Transportation of a prohibited noxious weed's  
 22.6 propagating parts shall be restricted by permit except as allowed by section 18.82.  
 22.7 Prohibited noxious weeds cannot be sold or propagated in Minnesota. There are two  
 22.8 regulatory listings for prohibited noxious weeds in Minnesota:

22.9 (1) The "Noxious Weed Eradicate List" is established. Prohibited noxious weeds  
 22.10 placed on the Noxious Weed Eradicate List are plants that are not currently known to be  
 22.11 present in Minnesota or are not widely established. These species must be eradicated.

22.12 (2) The "Noxious Weed Control List" is established. Prohibited noxious weeds  
 22.13 placed on the Noxious Weed Control List are plants that are already established throughout  
 22.14 Minnesota or regions of the state. Species on this list must at least be controlled.

22.15 (c) "Restricted noxious weeds" includes noxious weeds that are widely distributed  
 22.16 in Minnesota, but whose only feasible means of control is to prevent their spread by  
 22.17 prohibiting the importation, sale, and transportation of their propagating parts in the state  
 22.18 except as allowed by section 18.82.

22.19 (d) "Specially regulated plants" includes noxious weeds that may be native  
 22.20 species or have demonstrated economic value, but also have the potential to cause harm  
 22.21 in noncontrolled environments. Plants designated as specially regulated have been  
 22.22 determined to pose ecological, economical, or human or animal health concerns. Species  
 22.23 specific management plans or rules that define the use and management requirements  
 22.24 for these plants must be developed by the commissioner of agriculture for each plant  
 22.25 designated as specially regulated. The commissioner must also take measures to minimize  
 22.26 the potential for harm caused by these plants.

22.27 (e) "County noxious weeds" includes noxious weeds that are designated by  
 22.28 individual county boards to be enforced as prohibited noxious weeds within the county's  
 22.29 jurisdiction and must be approved by the commissioner of agriculture, in consultation with  
 22.30 the Noxious Weed Advisory Committee. Each county board must submit newly proposed  
 22.31 county noxious weeds to the commissioner of agriculture for review. Approved county  
 22.32 noxious weeds shall also be posted with the county's general weed notice prior to May 15  
 22.33 each year. Counties are solely responsible for developing county noxious weed lists and  
 22.34 their enforcement.

22.35 Sec. 6. Minnesota Statutes 2012, section 18.78, subdivision 3, is amended to read:

21.25 Subd. 3. ~~Cooperative Weed control agreement.~~ The commissioner, municipality, 21.26 or county agricultural inspector or county-designated employee may enter into a 21.27 ~~cooperative~~ weed control agreement with a landowner or weed management area 21.28 group to establish a mutually agreed-upon noxious weed management plan for up to 21.29 three years duration, whereby a noxious weed problem will be controlled without 21.30 additional enforcement action. If a property owner fails to comply with the noxious weed 21.31 management plan, an individual notice may be served.

21.32 Sec. 22. Minnesota Statutes 2012, section 18.79, subdivision 6, is amended to read:

21.33 Subd. 6. **Training for control or eradication of noxious weeds.** The commissioner 21.34 shall conduct initial training considered necessary for inspectors and county-designated 22.1 employees in the enforcement of the Minnesota Noxious Weed Law. The director of ~~the~~ 22.2 University of Minnesota Extension Service may conduct educational programs for the 22.3 general public that will aid compliance with the Minnesota Noxious Weed Law. Upon 22.4 request, the commissioner may provide information and other technical assistance to the 22.5 county agricultural inspector or county-designated employee to aid in the performance of 22.6 responsibilities specified by the county board under section 18.81, subdivisions 1a and 1b.

22.7 Sec. 23. Minnesota Statutes 2012, section 18.79, subdivision 13, is amended to read:

22.8 Subd. 13. **Noxious weed designation.** The commissioner, in consultation with the 22.9 Noxious Weed Advisory Committee, shall determine which plants are noxious weeds 22.10 subject to ~~control~~ regulation under sections 18.76 to 18.91. The commissioner shall 22.11 prepare, publish, and revise as necessary, but at least once every three years, a list of 22.12 noxious weeds and their designated classification. The list must be distributed to the public 22.13 by the commissioner who may request the help of ~~the~~ University of Minnesota Extension, 22.14 the county agricultural inspectors, and any other organization the commissioner considers 22.15 appropriate to assist in the distribution. The commissioner may, in consultation with 22.16 the Noxious Weed Advisory Committee, accept and consider noxious weed designation 22.17 petitions from Minnesota citizens or Minnesota organizations or associations.

22.18 Sec. 24. Minnesota Statutes 2012, section 18.82, subdivision 1, is amended to read:

23.1 Subd. 3. ~~Cooperative Weed control agreement.~~ The commissioner, municipality, 23.2 or county agricultural inspector or county-designated employee may enter into a 23.3 ~~cooperative~~ weed control agreement with a landowner or weed management area 23.4 group to establish a mutually agreed-upon noxious weed management plan for up to 23.5 three years duration, whereby a noxious weed problem will be controlled without 23.6 additional enforcement action. If a property owner fails to comply with the noxious weed 23.7 management plan, an individual notice may be served.

23.8 Sec. 7. Minnesota Statutes 2012, section 18.79, subdivision 6, is amended to read:

23.9 Subd. 6. **Training for control or eradication of noxious weeds.** The commissioner 23.10 shall conduct initial training considered necessary for inspectors and county-designated 23.11 employees in the enforcement of the Minnesota Noxious Weed Law. The director of 23.12 the Minnesota Extension ~~Service~~ may conduct educational programs for the general 23.13 public that will aid compliance with the Minnesota Noxious Weed Law. Upon request, 23.14 the commissioner may provide information and other technical assistance to the county 23.15 agricultural inspector or county-designated employee to aid in the performance of 23.16 responsibilities specified by the county board under section 18.81, subdivisions 1a and 1b.

23.17 Sec. 8. Minnesota Statutes 2012, section 18.79, subdivision 13, is amended to read:

23.18 Subd. 13. **Noxious weed designation.** The commissioner, in consultation with the 23.19 Noxious Weed Advisory Committee, shall determine which plants are noxious weeds 23.20 subject to ~~control~~ regulation under sections 18.76 to 18.91. The commissioner shall 23.21 prepare, publish, and revise as necessary, but at least once every three years, a list of 23.22 noxious weeds and their designated classification. The list must be distributed to the public 23.23 by the commissioner who may request the help of the University of Minnesota Extension, 23.24 the county agricultural inspectors, and any other organization the commissioner considers 23.25 appropriate to assist in the distribution. The commissioner may, in consultation with 23.26 the Noxious Weed Advisory Committee, accept and consider noxious weed designation 23.27 petitions from Minnesota citizens or Minnesota organizations or associations.

23.28 Sec. 9. Minnesota Statutes 2012, section 18.82, subdivision 1, is amended to read:

22.19 Subdivision 1. **Permits.** Except as provided in section 21.74, if a person wants to  
 22.20 transport along a public highway materials or equipment containing the propagating parts of  
 22.21 weeds designated as noxious by the commissioner, the person must secure a written permit  
 22.22 for transportation of the material or equipment from an inspector or county-designated  
 22.23 employee. Inspectors or county-designated employees may issue permits to persons  
 22.24 residing or operating within their jurisdiction. ~~If the noxious weed propagating parts are~~  
 22.25 ~~removed from materials and equipment or devitalized before being transported, a permit is~~  
 22.26 ~~not needed~~ A permit is not required for the transport of noxious weeds for the purpose  
 22.27 of destroying propagating parts at a Department of Agriculture-approved disposal site.  
 22.28 Anyone transporting noxious weed propagating parts for this purpose shall ensure that all  
 22.29 materials are contained in a manner that prevents escape during transport.

22.30 Sec. 25. Minnesota Statutes 2012, section 18.91, subdivision 1, is amended to read:

22.31 Subdivision 1. **Duties.** The commissioner shall consult with the Noxious Weed  
 22.32 Advisory Committee to advise the commissioner concerning responsibilities under  
 22.33 the noxious weed control program. The committee shall also evaluate species for  
 23.1 invasiveness, difficulty of control, cost of control, benefits, and amount of injury caused  
 23.2 by them. For each species evaluated, the committee shall recommend to the commissioner  
 23.3 on which noxious weed list or lists, if any, the species should be placed. Species ~~currently~~  
 23.4 ~~designated as prohibited or restricted noxious weeds or specially regulated plants must~~  
 23.5 ~~be reevaluated every three years for a recommendation on whether or not they need to~~  
 23.6 ~~remain on the noxious weed lists. The committee shall also advise the commissioner on~~  
 23.7 ~~the implementation of the Minnesota Noxious Weed Law and assist the commissioner in~~  
 23.8 ~~the development of management criteria for each noxious weed category. Members of~~  
 23.9 ~~the committee are not entitled to reimbursement of expenses nor payment of per diem.~~  
 23.10 Members shall serve two-year terms with subsequent reappointment by the commissioner.

23.11 Sec. 26. Minnesota Statutes 2012, section 18.91, subdivision 2, is amended to read:

23.12 Subd. 2. **Membership.** The commissioner shall appoint members, which shall  
 23.13 include representatives from the following:  
 23.14 (1) horticultural science, agronomy, and forestry at the University of Minnesota;  
 23.15 (2) the nursery and landscape industry in Minnesota;  
 23.16 (3) the seed industry in Minnesota;  
 23.17 (4) the Department of Agriculture;  
 23.18 (5) the Department of Natural Resources;  
 23.19 (6) a conservation organization;  
 23.20 (7) an environmental organization;

23.29 Subdivision 1. **Permits.** Except as provided in section 21.74, if a person wants to  
 23.30 transport along a public highway materials or equipment containing the propagating  
 23.31 parts of weeds designated as noxious by the commissioner, the person must secure a  
 23.32 written permit for transportation of the material or equipment from an inspector or  
 23.33 county-designated employee. Inspectors or county-designated employees may issue  
 24.1 permits to persons residing or operating within their jurisdiction. ~~If the noxious weed~~  
 24.2 ~~propagating parts are removed from materials and equipment or devitalized before~~  
 24.3 ~~being transported, a permit is not needed~~ A permit is not required for the transport of  
 24.4 noxious weeds for the purpose of destroying propagating parts at a Department of  
 24.5 Agriculture-approved disposal site. Anyone transporting noxious weed propagating parts  
 24.6 for the purpose of disposal at an approved site shall ensure that all materials are contained  
 24.7 in a manner that prevents escape during transport.

24.8 Sec. 10. Minnesota Statutes 2012, section 18.91, subdivision 1, is amended to read:

24.9 Subdivision 1. **Duties.** The commissioner shall consult with the Noxious Weed  
 24.10 Advisory Committee to advise the commissioner concerning responsibilities under  
 24.11 the noxious weed control program. The committee shall also evaluate species for  
 24.12 invasiveness, difficulty of control, cost of control, benefits, and amount of injury caused  
 24.13 by them. For each species evaluated, the committee shall recommend to the commissioner  
 24.14 on which noxious weed list or lists, if any, the species should be placed. Species ~~currently~~  
 24.15 ~~designated as prohibited or restricted noxious weeds or specially regulated plants must~~  
 24.16 ~~be reevaluated every three years for a recommendation on whether or not they need to~~  
 24.17 ~~remain on the noxious weed lists. The committee shall also advise the commissioner on~~  
 24.18 ~~the implementation of the Minnesota Noxious Weed Law and assist the commissioner in~~  
 24.19 ~~the development of management criteria for each noxious weed category. Members of~~  
 24.20 ~~the committee are not entitled to reimbursement of expenses nor payment of per diem.~~  
 24.21 Members shall serve two-year terms with subsequent reappointment by the commissioner.

24.22 Sec. 11. Minnesota Statutes 2012, section 18.91, subdivision 2, is amended to read:

24.23 Subd. 2. **Membership.** The commissioner shall appoint members, which shall  
 24.24 include representatives from the following:  
 24.25 (1) horticultural science, agronomy, and forestry at the University of Minnesota;  
 24.26 (2) the nursery and landscape industry in Minnesota;  
 24.27 (3) the seed industry in Minnesota;  
 24.28 (4) the Department of Agriculture;  
 24.29 (5) the Department of Natural Resources;  
 24.30 (6) a conservation organization;  
 24.31 (7) an environmental organization;

23.21 (8) at least two farm organizations;

23.22 (9) the county agricultural inspectors;

23.23 (10) city, township, and county governments;

23.24 (11) the Department of Transportation;

23.25 (12) ~~the~~ University of Minnesota Extension;

23.26 (13) the timber and forestry industry in Minnesota;

23.27 (14) the Board of Water and Soil Resources; ~~and~~

23.28 (15) soil and water conservation districts; ~~;~~

23.29 (16) Minnesota Association of County Land Commissioners; and

23.30 (17) members as needed.

23.31 Sec. 27. Minnesota Statutes 2012, section 18B.01, is amended by adding a subdivision

23.32 to read:

23.33 Subd. 4a. **Bulk pesticide storage facility.** "Bulk pesticide storage facility" means a

23.34 facility that is required to have a permit under section 18B.14.

24.1 Sec. 28. Minnesota Statutes 2012, section 18B.065, subdivision 2a, is amended to read:

24.2 Subd. 2a. **Disposal site requirement.** (a) For agricultural waste pesticides, the

24.3 commissioner must designate a place in each county of the state that is available at least

24.4 every other year for persons to dispose of unused portions of agricultural pesticides. The

24.5 commissioner shall consult with the person responsible for solid waste management

24.6 and disposal in each county to determine an appropriate location and to advertise each

24.7 collection event. The commissioner may provide a collection opportunity in a county

24.8 more frequently if the commissioner determines that a collection is warranted.

24.9 (b) For nonagricultural waste pesticides, the commissioner must provide a disposal

24.10 opportunity each year in each county or enter into a contract with a group of counties

24.11 under a joint powers agreement or contract for household hazardous waste disposal.

24.12 (c) As provided under subdivision 7, the commissioner may enter into cooperative

24.13 agreements with local units of government to provide the collections required under

24.14 paragraph (a) or (b) and shall provide a local unit of government, as part of the cooperative

24.15 agreement, with funding for reasonable costs incurred including, but not limited to, related

24.16 supplies, transportation, advertising, and disposal costs as well as reasonable overhead

24.17 costs.

24.32 (8) at least two farm organizations;

24.33 (9) the county agricultural inspectors;

24.34 (10) city, township, and county governments;

25.1 (11) the Department of Transportation;

25.2 (12) the University of Minnesota Extension;

25.3 (13) the timber and forestry industry in Minnesota;

25.4 (14) the Board of Water and Soil Resources; ~~and~~

25.5 (15) soil and water conservation districts; ~~;~~

25.6 (16) Minnesota Association of County Land Commissioners; and

25.7 (17) members as needed.

3.7 Sec. 2. Minnesota Statutes 2012, section 18B.01, is amended by adding a subdivision

3.8 to read:

3.9 Subd. 4a. **Bulk pesticide storage facility.** "Bulk pesticide storage facility" means a

3.10 facility that is required to have a permit under section 18B.14.

13.25 Sec. 25. **WASTE PESTICIDE REPORTING; 2013, 2014, AND 2015.**

24.18 (d) A person who collects waste pesticide under this section shall, on a form  
 24.19 provided or in a method approved by the commissioner, record information on each  
 24.20 waste pesticide product collected including, but not limited to, the quantity collected  
 24.21 and either the product name and its active ingredient or ingredients or the United States  
 24.22 Environmental Protection Agency registration number. The person must submit this  
 24.23 information to the commissioner at least annually by January 30.

24.24 (e) Notwithstanding the recording and reporting requirements of paragraph (d),  
 24.25 persons are not required to record or report agricultural or nonagricultural waste pesticide  
 24.26 collected in the remainder of 2013, 2014, and 2015. The commissioner shall analyze  
 24.27 existing collection data to identify trends that will inform future collection strategies to  
 24.28 better meet the needs and nature of current waste pesticide streams. By January 15, 2015,  
 24.29 the commissioner shall report analysis, recommendations, and proposed policy changes to  
 24.30 this program to legislative committees with jurisdiction over agriculture finance and policy.

24.31 **EFFECTIVE DATE.** This section is effective the day following final enactment  
 24.32 and applies to waste pesticide collected on or after that date through the end of 2015.

24.33 Sec. 29. Minnesota Statutes 2012, section 18B.07, subdivision 4, is amended to read:

24.34 Subd. 4. **Pesticide storage safeguards at application sites.** A person may not  
 24.35 allow a pesticide, rinsate, or unrinsed pesticide container to be stored, kept, or to remain in  
 25.1 or on any site without safeguards adequate to prevent an incident. Pesticides may not be  
 25.2 stored in any location with an open drain.

25.3 Sec. 30. Minnesota Statutes 2012, section 18B.07, subdivision 5, is amended to read:

25.4 Subd. 5. **Use of public water supplies for filling application equipment.** (a) A  
 25.5 person may not fill pesticide application equipment directly from a public water supply,  
 25.6 as defined in section 144.382, or from public waters, as defined in section 103G.005,  
 25.7 subdivision 15, unless the outlet from the public equipment or water supply is equipped  
 25.8 with a backflow prevention device that complies with the Minnesota Plumbing Code  
 25.9 under Minnesota Rules, parts 4715.2000 to 4715.2280.

25.10 (b) Cross connections between a water supply used for filling pesticide application  
 25.11 equipment are prohibited.

25.12 (c) This subdivision does not apply to permitted applications of aquatic pesticides to  
 25.13 public waters.

13.26 Notwithstanding the recording and reporting requirements of Minnesota Statutes,  
 13.27 section 18B.065, subdivision 2a, paragraph (d), persons are not required to record or  
 13.28 report agricultural or nonagricultural waste pesticide collected after the effective date of  
 13.29 this section in 2013, 2014, and 2015. The commissioner shall analyze existing collection  
 13.30 data to identify trends that will inform future collection strategies to better meet the needs  
 13.31 and nature of current waste pesticide streams. By January 15, 2015, the commissioner  
 14.1 shall report analysis, recommendations, and proposed policy changes to this program to  
 14.2 legislative committees with jurisdiction over agriculture finance and policy.

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

3.11 Sec. 3. Minnesota Statutes 2012, section 18B.07, subdivision 4, is amended to read:

3.12 Subd. 4. **Pesticide storage safeguards at application sites.** A person may not  
 3.13 allow a pesticide, rinsate, or unrinsed pesticide container to be stored, kept, or to remain in  
 3.14 or on any site without safeguards adequate to prevent an incident. Pesticides may not be  
 3.15 stored in the immediate area of an open drain, unless a safeguard is provided.

3.16 Sec. 4. Minnesota Statutes 2012, section 18B.07, subdivision 5, is amended to read:

3.17 Subd. 5. **Use of public water supplies for filling application equipment.** (a) A  
 3.18 person may not fill pesticide application equipment directly from a public water supply,  
 3.19 as defined in section 144.382, or from public waters, as defined in section 103G.005,  
 3.20 subdivision 15, unless the outlet from the public water supply is equipped with a backflow  
 3.21 prevention device that complies with and is installed in accordance with the Minnesota  
 3.22 Plumbing Code under Minnesota Rules. A nurse tank not connected to the water supply,  
 3.23 an atmospheric vacuum breaker, an air gap that is 2.0 times the effective diameter of the  
 3.24 outlet, a pressurized vacuum breaker, or a reduced pressure principle backflow prevention  
 3.25 device must also comply with the requirements under the Minnesota Plumbing Code  
 3.26 under Minnesota Rules, ~~parts 4715.2000 to 4715.2280.~~

3.27 (b) Cross connections between a water supply use for filling pesticide application  
 3.28 equipment are prohibited.

3.29 (c) This subdivision does not apply to permitted applications of aquatic pesticides to  
 3.30 public waters.

25.14 Sec. 31. Minnesota Statutes 2012, section 18B.07, subdivision 7, is amended to read:

25.15 Subd. 7. **Cleaning equipment in or near surface water Pesticide handling**

25.16 **restrictions.** (a) A person may not ~~fill or clean pesticide application equipment where~~

25.17 ~~pesticides or materials contaminated with pesticides could enter ditches, surface water,~~

25.18 ~~groundwater, wells, drains, or sewers. For wells, the setbacks established in Minnesota~~

25.19 ~~Rules, part 4725.4450, apply.~~

25.20 ~~(1) clean pesticide application equipment in surface waters of the state; or~~

25.21 ~~(2) fill or clean pesticide application equipment adjacent to surface waters;~~

25.22 ~~ditches, or wells where, because of the slope or other conditions, pesticides or materials~~

25.23 ~~contaminated with pesticides could enter or contaminate the surface waters, groundwater,~~

25.24 ~~or wells, as a result of overflow, leakage, or other causes.~~

25.25 (b) This subdivision does not apply to permitted application of aquatic pesticides to

25.26 public waters.

25.27 Sec. 32. Minnesota Statutes 2012, section 18B.26, subdivision 3, is amended to read:

25.28 Subd. 3. **Registration application and gross sales fee.** (a) For an agricultural

25.29 pesticide, a registrant shall pay an annual registration application fee for each agricultural

25.30 pesticide of \$350. The fee is due by December 31 preceding the year for which the

25.31 application for registration is made. The fee is nonrefundable.

25.32 (b) For a nonagricultural pesticide, a registrant shall pay a minimum annual

25.33 registration application fee for each nonagricultural pesticide of \$350. The fee is due by

26.1 December 31 preceding the year for which the application for registration is made. The

26.2 fee is nonrefundable. The registrant of a nonagricultural pesticide shall pay, in addition to

26.3 the \$350 minimum fee, a fee of 0.5 percent of annual gross sales of the nonagricultural

26.4 pesticide in the state and the annual gross sales of the nonagricultural pesticide sold into

26.5 the state for use in this state. ~~The commissioner may not assess a fee under this paragraph~~

26.6 ~~if the amount due based on percent of annual gross sales is less than \$10 No fee is required~~

26.7 ~~if the fee due amount based on percent of annual gross sales of a nonagricultural pesticide~~

26.8 ~~is less than \$10.~~ The registrant shall secure sufficient sales information of nonagricultural

26.9 pesticides distributed into this state from distributors and dealers, regardless of distributor

26.10 location, to make a determination. Sales of nonagricultural pesticides in this state and

26.11 sales of nonagricultural pesticides for use in this state by out-of-state distributors are not

26.12 exempt and must be included in the registrant's annual report, as required under paragraph

26.13 (g), and fees shall be paid by the registrant based upon those reported sales. Sales of

26.14 nonagricultural pesticides in the state for use outside of the state are exempt from the

26.15 gross sales fee in this paragraph if the registrant properly documents the sale location and

26.16 distributors. A registrant paying more than the minimum fee shall pay the balance due by

26.17 March 1 based on the gross sales of the nonagricultural pesticide by the registrant for the

26.18 preceding calendar year. A pesticide determined by the commissioner to be a sanitizer or

26.19 disinfectant is exempt from the gross sales fee.

3.31 Sec. 5. Minnesota Statutes 2012, section 18B.07, subdivision 7, is amended to read:

4.1 Subd. 7. **Cleaning equipment in or near surface water Pesticide handling**

4.2 **restrictions.** (a) A person may not:

4.3 (1) clean pesticide application equipment in surface waters of the state; or

4.4 (2) fill or clean pesticide application equipment adjacent to surface waters,

4.5 ditches, or wells where, because of the slope or other conditions, pesticides or materials

4.6 contaminated with pesticides could enter or contaminate the surface waters, groundwater,

4.7 or wells, as a result of overflow, leakage, or other causes.

4.8 (b) This subdivision does not apply to permitted application of aquatic pesticides to

4.9 public waters.

4.10 Sec. 6. Minnesota Statutes 2012, section 18B.26, subdivision 3, is amended to read:

4.11 Subd. 3. **Registration application and gross sales fee.** (a) For an agricultural

4.12 pesticide, a registrant shall pay an annual registration application fee for each agricultural

4.13 pesticide of \$350. The fee is due by December 31 preceding the year for which the

4.14 application for registration is made. The fee is nonrefundable.

4.15 (b) For a nonagricultural pesticide, a registrant shall pay a minimum annual

4.16 registration application fee for each nonagricultural pesticide of \$350. The fee is due by

4.17 December 31 preceding the year for which the application for registration is made. The

4.18 fee is nonrefundable. The registrant of a nonagricultural pesticide shall pay, in addition to

4.19 the \$350 minimum fee, a fee of 0.5 percent of annual gross sales of the nonagricultural

4.20 pesticide in the state and the annual gross sales of the nonagricultural pesticide sold into

4.21 the state for use in this state. ~~The commissioner may not assess a fee under this paragraph~~

4.22 ~~if the amount due based on percent of annual gross sales is less than \$10 No fee is required~~

4.23 ~~if the fee due amount based on percent of annual gross sales of a nonagricultural pesticide~~

4.24 ~~is less than \$10.~~ The registrant shall secure sufficient sales information of nonagricultural

4.25 pesticides distributed into this state from distributors and dealers, regardless of distributor

4.26 location, to make a determination. Sales of nonagricultural pesticides in this state and

4.27 sales of nonagricultural pesticides for use in this state by out-of-state distributors are not

4.28 exempt and must be included in the registrant's annual report, as required under paragraph

4.29 (g), and fees shall be paid by the registrant based upon those reported sales. Sales of

4.30 nonagricultural pesticides in the state for use outside of the state are exempt from the

4.31 gross sales fee in this paragraph if the registrant properly documents the sale location and

4.32 distributors. A registrant paying more than the minimum fee shall pay the balance due by

4.33 March 1 based on the gross sales of the nonagricultural pesticide by the registrant for the

4.34 preceding calendar year. A pesticide determined by the commissioner to be a sanitizer or

4.35 disinfectant is exempt from the gross sales fee.

26.20 (c) For agricultural pesticides, a licensed agricultural pesticide dealer or licensed  
 26.21 pesticide dealer shall pay a gross sales fee of 0.55 percent of annual gross sales of the  
 26.22 agricultural pesticide in the state and the annual gross sales of the agricultural pesticide  
 26.23 sold into the state for use in this state.

26.24 (d) In those cases where a registrant first sells an agricultural pesticide in or into the  
 26.25 state to a pesticide end user, the registrant must first obtain an agricultural pesticide dealer  
 26.26 license and is responsible for payment of the annual gross sales fee under paragraph (c),  
 26.27 record keeping under paragraph (i), and all other requirements of section 18B.316.

26.28 (e) If the total annual revenue from fees collected in fiscal year 2011, 2012, or 2013,  
 26.29 by the commissioner on the registration and sale of pesticides is less than \$6,600,000, the  
 26.30 commissioner, after a public hearing, may increase proportionally the pesticide sales and  
 26.31 product registration fees under this chapter by the amount necessary to ensure this level  
 26.32 of revenue is achieved. The authority under this section expires on June 30, 2014. The  
 26.33 commissioner shall report any fee increases under this paragraph 60 days before the fee  
 26.34 change is effective to the senate and house of representatives agriculture budget divisions.

27.1 (f) An additional fee of 50 percent of the registration application fee must be paid by  
 27.2 the applicant for each pesticide to be registered if the application is a renewal application  
 27.3 that is submitted after December 31.

27.4 (g) A registrant must annually report to the commissioner the amount, type and  
 27.5 annual gross sales of each registered nonagricultural pesticide sold, offered for sale, or  
 27.6 otherwise distributed in the state. The report shall be filed by March 1 for the previous  
 27.7 year's registration. The commissioner shall specify the form of the report or approve  
 27.8 the method for submittal of the report and may require additional information deemed  
 27.9 necessary to determine the amount and type of nonagricultural pesticide annually  
 27.10 distributed in the state. The information required shall include the brand name, United  
 27.11 States Environmental Protection Agency registration number, and amount of each  
 27.12 nonagricultural pesticide sold, offered for sale, or otherwise distributed in the state, but  
 27.13 the information collected, if made public, shall be reported in a manner which does not  
 27.14 identify a specific brand name in the report.

27.15 (h) A licensed agricultural pesticide dealer or licensed pesticide dealer must annually  
 27.16 report to the commissioner the amount, type, and annual gross sales of each registered  
 27.17 agricultural pesticide sold, offered for sale, or otherwise distributed in the state or into the  
 27.18 state for use in the state. The report must be filed by January 31 for the previous year's  
 27.19 sales. The commissioner shall specify the form, contents, and approved electronic method  
 27.20 for submittal of the report and may require additional information deemed necessary to  
 27.21 determine the amount and type of agricultural pesticide annually distributed within the  
 27.22 state or into the state. The information required must include the brand name, United States  
 27.23 Environmental Protection Agency registration number, and amount of each agricultural  
 27.24 pesticide sold, offered for sale, or otherwise distributed in the state or into the state.

5.1 (c) For agricultural pesticides, a licensed agricultural pesticide dealer or licensed  
 5.2 pesticide dealer shall pay a gross sales fee of 0.55 percent of annual gross sales of the  
 5.3 agricultural pesticide in the state and the annual gross sales of the agricultural pesticide  
 5.4 sold into the state for use in this state.

5.5 (d) In those cases where a registrant first sells an agricultural pesticide in or into the  
 5.6 state to a pesticide end user, the registrant must first obtain an agricultural pesticide dealer  
 5.7 license and is responsible for payment of the annual gross sales fee under paragraph (c),  
 5.8 record keeping under paragraph (i), and all other requirements of section 18B.316.

5.9 (e) If the total annual revenue from fees collected in fiscal year 2011, 2012, or 2013,  
 5.10 by the commissioner on the registration and sale of pesticides is less than \$6,600,000, the  
 5.11 commissioner, after a public hearing, may increase proportionally the pesticide sales and  
 5.12 product registration fees under this chapter by the amount necessary to ensure this level  
 5.13 of revenue is achieved. The authority under this section expires on June 30, 2014. The  
 5.14 commissioner shall report any fee increases under this paragraph 60 days before the fee  
 5.15 change is effective to the senate and house of representatives agriculture budget divisions.

5.16 (f) An additional fee of 50 percent of the registration application fee must be paid by  
 5.17 the applicant for each pesticide to be registered if the application is a renewal application  
 5.18 that is submitted after December 31.

5.19 (g) A registrant must annually report to the commissioner the amount, type and  
 5.20 annual gross sales of each registered nonagricultural pesticide sold, offered for sale, or  
 5.21 otherwise distributed in the state. The report shall be filed by March 1 for the previous  
 5.22 year's registration. The commissioner shall specify the form of the report or approve  
 5.23 the method for submittal of the report and may require additional information deemed  
 5.24 necessary to determine the amount and type of nonagricultural pesticide annually  
 5.25 distributed in the state. The information required shall include the brand name, United  
 5.26 States Environmental Protection Agency registration number, and amount of each  
 5.27 nonagricultural pesticide sold, offered for sale, or otherwise distributed in the state, but  
 5.28 the information collected, if made public, shall be reported in a manner which does not  
 5.29 identify a specific brand name in the report.

5.30 (h) A licensed agricultural pesticide dealer or licensed pesticide dealer must annually  
 5.31 report to the commissioner the amount, type, and annual gross sales of each registered  
 5.32 agricultural pesticide sold, offered for sale, or otherwise distributed in the state or into the  
 5.33 state for use in the state. The report must be filed by January 31 for the previous year's  
 5.34 sales. The commissioner shall specify the form, contents, and approved electronic method  
 5.35 for submittal of the report and may require additional information deemed necessary to  
 5.36 determine the amount and type of agricultural pesticide annually distributed within the  
 6.1 state or into the state. The information required must include the brand name, United States  
 6.2 Environmental Protection Agency registration number, and amount of each agricultural  
 6.3 pesticide sold, offered for sale, or otherwise distributed in the state or into the state.

27.25 (i) A person who registers a pesticide with the commissioner under paragraph (b),  
 27.26 or a registrant under paragraph (d), shall keep accurate records for five years detailing  
 27.27 all distribution or sales transactions into the state or in the state and subject to a fee and  
 27.28 surcharge under this section.

27.29 (j) The records are subject to inspection, copying, and audit by the commissioner  
 27.30 and must clearly demonstrate proof of payment of all applicable fees and surcharges  
 27.31 for each registered pesticide product sold for use in this state. A person who is located  
 27.32 outside of this state must maintain and make available records required by this subdivision  
 27.33 in this state or pay all costs incurred by the commissioner in the inspecting, copying, or  
 27.34 auditing of the records.

28.1 (k) The commissioner may adopt by rule regulations that require persons subject  
 28.2 to audit under this section to provide information determined by the commissioner to be  
 28.3 necessary to enable the commissioner to perform the audit.

28.4 (l) A registrant who is required to pay more than the minimum fee for any pesticide  
 28.5 under paragraph (b) must pay a late fee penalty of \$100 for each pesticide application fee  
 28.6 paid after March 1 in the year for which the license is to be issued.

28.7 Sec. 33. Minnesota Statutes 2012, section 18B.305, is amended to read:

28.8 **18B.305 PESTICIDE EDUCATION AND TRAINING.**

28.9 Subdivision 1. **Education and training.** (a) The commissioner, ~~as the lead agency,~~  
 28.10 shall develop, implement or approve, and evaluate, ~~in conjunction consultation with the~~  
 28.11 University of Minnesota Extension Service, the Minnesota State Colleges and Universities  
 28.12 system, and other educational institutions, innovative educational and training programs  
 28.13 addressing pesticide concerns including:

28.14 (1) water quality protection;

28.15 (2) endangered species protection;

28.16 (3) minimizing pesticide residues in food and water;

28.17 (4) worker protection and applicator safety;

28.18 (5) chronic toxicity;

28.19 (6) integrated pest management and pest resistance; and

28.20 (7) pesticide disposal;

28.21 (8) pesticide drift;

6.4 (i) A person who registers a pesticide with the commissioner under paragraph (b),  
 6.5 or a registrant under paragraph (d), shall keep accurate records for five years detailing  
 6.6 all distribution or sales transactions into the state or in the state and subject to a fee and  
 6.7 surcharge under this section.

6.8 (j) The records are subject to inspection, copying, and audit by the commissioner  
 6.9 and must clearly demonstrate proof of payment of all applicable fees and surcharges  
 6.10 for each registered pesticide product sold for use in this state. A person who is located  
 6.11 outside of this state must maintain and make available records required by this subdivision  
 6.12 in this state or pay all costs incurred by the commissioner in the inspecting, copying, or  
 6.13 auditing of the records.

6.14 (k) The commissioner may adopt by rule regulations that require persons subject  
 6.15 to audit under this section to provide information determined by the commissioner to be  
 6.16 necessary to enable the commissioner to perform the audit.

6.17 (l) A registrant who is required to pay more than the minimum fee for any pesticide  
 6.18 under paragraph (b) must pay a late fee penalty of \$100 for each pesticide application fee  
 6.19 paid after March 1 in the year for which the license is to be issued.

**S1607-2**

89.13 Sec. 8. Minnesota Statutes 2012, section 18B.305, is amended to read:

89.14 **18B.305 PESTICIDE EDUCATION AND TRAINING.**

89.15 Subdivision 1. **Education and training.** (a) The commissioner, ~~as the lead agency,~~  
 89.16 shall develop, implement or approve, and evaluate, ~~in conjunction consultation with the~~  
 89.17 University of Minnesota Extension Service, the Minnesota State Colleges and Universities  
 89.18 system, and other educational institutions, innovative educational and training programs  
 89.19 addressing pesticide concerns including:

89.20 (1) water quality protection;

89.21 (2) endangered species protection;

89.22 (3) minimizing pesticide residues in food and water;

89.23 (4) worker protection and applicator safety;

89.24 (5) chronic toxicity;

89.25 (6) integrated pest management and pest resistance; and

89.26 (7) pesticide disposal;

89.27 (8) pesticide drift;

28.22 (9) relevant laws including pesticide labels and labeling and state and federal rules  
 28.23 and regulations; and

28.24 (10) current science and technology updates.

28.25 (b) The commissioner shall appoint educational planning committees which must  
 28.26 include representatives of industry and applicators.

28.27 (c) Specific current regulatory concerns must be discussed and, if appropriate,  
 28.28 incorporated into each training session. Relevant changes to pesticide product labels or  
 28.29 labeling or state and federal rules and regulations may be included.

28.30 (d) The commissioner may approve programs from private industry, higher  
 28.31 education institutions, and nonprofit organizations that meet minimum requirements for  
 28.32 education, training, and certification.

28.33 Subd. 2. **Training manual and examination development.** The commissioner,  
 28.34 in conjunction with the University of Minnesota Extension Service and other higher  
 28.35 education institutions, shall continually revise and update pesticide applicator training  
 29.1 manuals and examinations. The manuals and examinations must be written to meet or  
 29.2 exceed the minimum standards required by the United States Environmental Protection  
 29.3 Agency and pertinent state specific information. Questions in the examinations must be  
 29.4 determined by the commissioner in consultation with other responsible agencies. Manuals  
 29.5 and examinations must include pesticide management practices that discuss prevention of  
 29.6 pesticide occurrence in ~~groundwaters~~ groundwater and surface water of the state.

29.7 Sec. 34. Minnesota Statutes 2012, section 18B.316, subdivision 1, is amended to read:

29.8 Subdivision 1. **Requirement.** (a) A person must not ~~distribute~~ offer for sale or sell  
 29.9 an agricultural pesticide in the state or into the state without first obtaining an agricultural  
 29.10 pesticide dealer license.

29.11 (b) Each location or place of business from which an agricultural pesticide is  
 29.12 ~~distributed~~ offered for sale or sold in the state or into the state is required to have a  
 29.13 separate agricultural pesticide dealer license.

29.14 (c) A person who is a licensed pesticide dealer under section 18B.31 is not required  
 29.15 to also be licensed under this subdivision.

29.16 Sec. 35. Minnesota Statutes 2012, section 18B.316, subdivision 3, is amended to read:

89.28 (9) relevant laws including pesticide labels and labeling and state and federal rules  
 89.29 and regulations; and

89.30 (10) current science and technology updates.

89.31 (b) The commissioner shall appoint educational planning committees which must  
 89.32 include representatives of industry and applicators.

89.33 (c) Specific current regulatory concerns must be discussed and, if appropriate,  
 89.34 incorporated into each training session. Relevant changes to pesticide product labels or  
 89.35 labeling or state and federal rules and regulations may be included.

90.1 (d) The commissioner may approve programs from private industry, higher  
 90.2 education institutions, and nonprofit organizations that meet minimum requirements for  
 90.3 education, training, and certification.

90.4 Subd. 2. **Training manual and examination development.** The commissioner, in  
 90.5 ~~conjunction~~ consultation with the University of Minnesota Extension Service and other  
 90.6 higher education institutions, shall continually revise and update pesticide applicator  
 90.7 training manuals and examinations. The manuals and examinations must be written to meet  
 90.8 or exceed the minimum standards required by the United States Environmental Protection  
 90.9 Agency and pertinent state specific information. Questions in the examinations must be  
 90.10 determined by the commissioner in consultation with other responsible agencies. Manuals  
 90.11 and examinations must include pesticide management practices that discuss prevention of  
 90.12 pesticide occurrence in ~~groundwaters~~ groundwater and surface water of the state.

### S1160-2

7.21 Sec. 8. Minnesota Statutes 2012, section 18B.316, subdivision 1, is amended to read:

7.22 Subdivision 1. **Requirement.** (a) A person must not ~~distribute~~ offer for sale or sell  
 7.23 an agricultural pesticide in the state or into the state without first obtaining an agricultural  
 7.24 pesticide dealer license.

7.25 (b) Each location or place of business from which an agricultural pesticide is  
 7.26 ~~distributed~~ offered for sale or sold in the state or into the state is required to have a  
 7.27 separate agricultural pesticide dealer license.

7.28 (c) A person who is a licensed pesticide dealer under section 18B.31 is not required  
 7.29 to also be licensed under this subdivision.

7.30 Sec. 9. Minnesota Statutes 2012, section 18B.316, subdivision 3, is amended to read:

29.17 Subd. 3. **Resident agent.** A person required to be licensed under subdivisions 1  
 29.18 and 2, or a person licensed as a pesticide dealer pursuant to section 18B.31 and who  
 29.19 operates from a location or place of business outside the state and who distributes offers  
 29.20 for sale or sells an agricultural pesticide into the state, must continuously maintain in  
 29.21 this state the following:

29.22 (1) a registered office; and

29.23 (2) a registered agent, who may be either a resident of this state whose business  
 29.24 office or residence is identical with the registered office under clause (1), a domestic  
 29.25 corporation or limited liability company, or a foreign corporation of limited liability  
 29.26 company authorized to transact business in this state and having a business office identical  
 29.27 with the registered office.

29.28 A person licensed under this section or section 18B.31 shall annually file with the  
 29.29 commissioner, either at the time of initial licensing or as part of license renewal, the name,  
 29.30 address, telephone number, and e-mail address of the licensee's registered agent.

29.31 For licensees under section 18B.31 who are located in the state, the licensee is  
 29.32 the registered agent.

29.33 Sec. 36. Minnesota Statutes 2012, section 18B.316, subdivision 4, is amended to read:

30.1 Subd. 4. **Responsibility.** The resident agent is responsible for the acts of a licensed  
 30.2 agricultural pesticide dealer, or of a licensed pesticide dealer under section 18B.31 who  
 30.3 operates from a location or place of business outside the state and who distributes offers  
 30.4 for sale or sells an agricultural pesticide into the state, as well as the acts of the employees  
 30.5 of those licensees.

30.6 Sec. 37. Minnesota Statutes 2012, section 18B.316, subdivision 8, is amended to read:

30.7 Subd. 8. **Report of sales and payment to commissioner.** A person who is an  
 30.8 agricultural pesticide dealer, or is a licensed pesticide dealer under section 18B.31, who  
 30.9 distributes offers for sale or sells an agricultural pesticide in or into the state, and a  
 30.10 pesticide registrant pursuant to section 18B.26, subdivision 3, paragraph (d), shall no  
 30.11 later than January 31 of each year report and pay applicable fees on annual gross sales  
 30.12 of agricultural pesticides to the commissioner pursuant to requirements under section  
 30.13 18B.26, subdivision 3, paragraphs (c) and (h).

30.14 Sec. 38. Minnesota Statutes 2012, section 18B.316, subdivision 9, is amended to read:

30.15 Subd. 9. **Application.** (a) A person must apply to the commissioner for an  
 30.16 agricultural pesticide dealer license on forms and in a manner approved by the  
 30.17 commissioner.

30.18 (b) The applicant must be the person in charge of each location or place of business  
 30.19 from which agricultural pesticides are distributed offered for sale or sold in or into the state.

7.31 Subd. 3. **Resident agent.** A person required to be licensed under subdivisions 1  
 7.32 and 2, or a person licensed as a pesticide dealer pursuant to section 18B.31 and who  
 7.33 operates from a location or place of business outside the state and who distributes offers  
 8.1 for sale or sells an agricultural pesticide into the state, must continuously maintain in  
 8.2 this state the following:

8.3 (1) a registered office; and

8.4 (2) a registered agent, who may be either a resident of this state whose business  
 8.5 office or residence is identical with the registered office under clause (1), a domestic  
 8.6 corporation or limited liability company, or a foreign corporation of limited liability  
 8.7 company authorized to transact business in this state and having a business office identical  
 8.8 with the registered office.

8.9 A person licensed under this section or section 18B.31 shall annually file with the  
 8.10 commissioner, either at the time of initial licensing or as part of license renewal, the name,  
 8.11 address, telephone number, and e-mail address of the licensee's registered agent.

8.12 For licensees under section 18B.31 who are located in the state, the licensee is  
 8.13 the registered agent.

8.14 Sec. 10. Minnesota Statutes 2012, section 18B.316, subdivision 4, is amended to read:

8.15 Subd. 4. **Responsibility.** The resident agent is responsible for the acts of a licensed  
 8.16 agricultural pesticide dealer, or of a licensed pesticide dealer under section 18B.31 who  
 8.17 operates from a location or place of business outside the state and who distributes offers  
 8.18 for sale or sells an agricultural pesticide into the state, as well as the acts of the employees  
 8.19 of those licensees.

8.20 Sec. 11. Minnesota Statutes 2012, section 18B.316, subdivision 8, is amended to read:

8.21 Subd. 8. **Report of sales and payment to commissioner.** A person who is an  
 8.22 agricultural pesticide dealer, or is a licensed pesticide dealer under section 18B.31, who  
 8.23 distributes offers for sale or sells an agricultural pesticide in or into the state, and a  
 8.24 pesticide registrant pursuant to section 18B.26, subdivision 3, paragraph (d), shall no  
 8.25 later than January 31 of each year report and pay applicable fees on annual gross sales  
 8.26 of agricultural pesticides to the commissioner pursuant to requirements under section  
 8.27 18B.26, subdivision 3, paragraphs (c) and (h).

8.28 Sec. 12. Minnesota Statutes 2012, section 18B.316, subdivision 9, is amended to read:

8.29 Subd. 9. **Application.** (a) A person must apply to the commissioner for an  
 8.30 agricultural pesticide dealer license on forms and in a manner approved by the  
 8.31 commissioner.

8.32 (b) The applicant must be the person in charge of each location or place of business  
 8.33 from which agricultural pesticides are distributed offered for sale or sold in or into the state.

30.20 (c) The commissioner may require that the applicant provide information regarding  
30.21 the applicant's proposed operations and other information considered pertinent by the  
30.22 commissioner.

30.23 (d) The commissioner may require additional demonstration of licensee qualification  
30.24 if the licensee has had a license suspended or revoked, or has otherwise had a history of  
30.25 violations in another state or violations of this chapter.

30.26 (e) A licensed agricultural pesticide dealer who changes the dealer's address or place  
30.27 of business must immediately notify the commissioner of the change.

30.28 (f) Beginning January 1, 2011, an application for renewal of an agricultural pesticide  
30.29 dealer license is complete only when a report and any applicable payment of fees under  
30.30 subdivision 8 are received by the commissioner.

30.31 Sec. 39. Minnesota Statutes 2012, section 18B.37, subdivision 4, is amended to read:

30.32 Subd. 4. ~~Storage, handling, Incident response, and disposal plan.~~ A pesticide  
30.33 dealer, agricultural pesticide dealer, or a commercial, noncommercial, or structural pest  
31.1 control applicator or the business that the applicator is employed by business must develop  
31.2 and maintain a an incident response plan that describes its ~~pesticide storage, handling,~~  
31.3 ~~incident response, and disposal practices~~ the actions that will be taken to prevent and  
31.4 respond to pesticide incidents. The plan must contain the same information as forms  
31.5 provided by the commissioner. The plan must be kept at a principal business site or location  
31.6 within this state and must be submitted to the commissioner upon request ~~on forms provided~~  
31.7 ~~by the commissioner. The plan must be available for inspection by the commissioner.~~

31.8 Sec. 40. Minnesota Statutes 2012, section 18C.430, is amended to read:

31.9 **18C.430 COMMERCIAL ANIMAL WASTE TECHNICIAN.**

31.10 Subdivision 1. **Requirement.** (a) ~~Except as provided in paragraph (c), after March~~  
31.11 ~~1, 2000, A person may not manage or apply animal wastes to the land for hire without a~~  
31.12 ~~valid commercial animal waste technician license. This section does not apply to a person~~  
31.13 ~~managing or applying animal waste on land managed by the person's employer.;~~

31.14 (1) without a valid commercial animal waste technician applicator license;

31.15 (2) without a valid commercial animal waste technician site manager license; or

31.16 (3) as a sole proprietorship, company, partnership, or corporation unless a  
31.17 commercial animal waste technician company license is held and a commercial animal  
31.18 waste technical site manager is employed by the entity.

9.1 (c) The commissioner may require that the applicant provide information regarding  
9.2 the applicant's proposed operations and other information considered pertinent by the  
9.3 commissioner.

9.4 (d) The commissioner may require additional demonstration of licensee qualification  
9.5 if the licensee has had a license suspended or revoked, or has otherwise had a history of  
9.6 violations in another state or violations of this chapter.

9.7 (e) A licensed agricultural pesticide dealer who changes the dealer's address or place  
9.8 of business must immediately notify the commissioner of the change.

9.9 (f) Beginning January 1, 2011, an application for renewal of an agricultural pesticide  
9.10 dealer license is complete only when a report and any applicable payment of fees under  
9.11 subdivision 8 are received by the commissioner.

9.12 Sec. 13. Minnesota Statutes 2012, section 18B.37, subdivision 4, is amended to read:

9.13 Subd. 4. ~~Storage, handling, Incident response, and disposal plan.~~ A pesticide  
9.14 dealer, agricultural pesticide dealer, or a commercial, noncommercial, or structural pest  
9.15 control applicator or the business that the applicator is employed by business must develop  
9.16 and maintain a an incident response plan that describes its ~~pesticide storage, handling,~~  
9.17 ~~incident response, and disposal practices~~ the actions that will be taken to prevent and  
9.18 respond to pesticide incidents. The plan must contain the same information as forms  
9.19 provided by the commissioner. The plan must be kept at a principal business site or location  
9.20 within this state and must be submitted to the commissioner upon request ~~on forms provided~~  
9.21 ~~by the commissioner. The plan must be available for inspection by the commissioner.~~

## S1607-2

90.13 Sec. 9. Minnesota Statutes 2012, section 18C.430, is amended to read:

90.14 **18C.430 COMMERCIAL ANIMAL WASTE TECHNICIAN.**

90.15 Subdivision 1. **Requirement.** (a) ~~Except as provided in paragraph (c), after March~~  
90.16 ~~1, 2000, A person may not manage or apply animal wastes to the land for hire without a~~  
90.17 ~~valid commercial animal waste technician license. This section does not apply to a person~~  
90.18 ~~managing or applying animal waste on land managed by the person's employer.;~~

90.19 (1) without a valid commercial animal waste technician applicator license;

90.20 (2) without a valid commercial animal waste technician site manager license; or

90.21 (3) as a sole proprietorship, company, partnership, or corporation unless a  
90.22 commercial animal waste technician company license is held and a commercial animal  
90.23 waste technical site manager is employed by the entity.

31.19 (b) A person managing or applying animal wastes for hire must have a valid  
 31.20 license identification card when managing or applying animal wastes for hire and must  
 31.21 display it upon demand by an authorized representative of the commissioner or a law  
 31.22 enforcement officer. The commissioner shall prescribe the information required on the  
 31.23 license identification card.

31.24 (c) ~~A person who is not a licensed commercial animal waste technician who has had~~  
 31.25 ~~at least two hours of training or experience in animal waste management may manage~~  
 31.26 ~~or apply animal waste for hire under the supervision of a commercial animal waste~~  
 31.27 ~~technician. A commercial animal waste technician applicator must have a minimum of~~  
 31.28 ~~two hours of certification training in animal waste management and may only manage or~~  
 31.29 ~~apply animal waste for hire under the supervision of a commercial animal waste technician~~  
 31.30 ~~site manager. The commissioner shall prescribe the conditions of the supervision and the~~  
 31.31 ~~form and format required on the certification training.~~

31.32 (d) This section does not apply to a person managing or applying animal waste on  
 31.33 land managed by the person's employer.

31.34 Subd. 2. **Responsibility.** A person required to be licensed under this section who  
 31.35 performs animal waste management or application for hire or who employs a person to  
 32.1 perform animal waste management or application for compensation is responsible for  
 32.2 proper management or application of the animal wastes.

32.3 Subd. 3. **License.** (a) A commercial animal waste technician license, including  
 32.4 applicator, site manager, and company:

32.5 (1) is valid for ~~three years~~ one year and expires on December 31 of the ~~third~~ year for  
 32.6 which it is issued, unless suspended or revoked before that date;

32.7 (2) is not transferable to another person; and

32.8 (3) must be prominently displayed to the public in the commercial animal waste  
 32.9 technician's place of business.

32.10 (b) The commercial animal waste technician company license number assigned by  
 32.11 the commissioner must appear on the application equipment when a person manages  
 32.12 or applies animal waste for hire.

32.13 Subd. 4. **Application.** (a) A person must apply to the commissioner for a commercial  
 32.14 animal waste technician license on forms and in the manner required by the commissioner  
 32.15 and must include the application fee. The commissioner shall prescribe and administer  
 32.16 an examination or equivalent measure to determine if the applicant is eligible for the  
 32.17 commercial animal waste technician license, site manager license, or applicator license.

32.18 (b) The commissioner of agriculture, in cooperation with ~~the~~ University of  
 32.19 Minnesota Extension Service and appropriate educational institutions, shall establish and  
 32.20 implement a program for training and licensing commercial animal waste technicians.

90.24 (b) A person managing or applying animal wastes for hire must have a valid  
 90.25 license identification card when managing or applying animal wastes for hire and must  
 90.26 display it upon demand by an authorized representative of the commissioner or a law  
 90.27 enforcement officer. The commissioner shall prescribe the information required on the  
 90.28 license identification card.

90.29 (c) ~~A person who is not a licensed commercial animal waste technician who has had~~  
 90.30 ~~at least two hours of training or experience in animal waste management may manage~~  
 90.31 ~~or apply animal waste for hire under the supervision of a commercial animal waste~~  
 90.32 ~~technician. A commercial animal waste technician applicator must have a minimum of~~  
 90.33 ~~two hours of certification training in animal waste management and may only manage or~~  
 90.34 ~~apply animal waste for hire under the supervision of a commercial animal waste technician~~  
 91.1 ~~site manager. The commissioner shall prescribe the conditions of the supervision and the~~  
 91.2 ~~form and format required on the certification training.~~

91.3 (d) This section does not apply to a person managing or applying animal waste on  
 91.4 land managed by the person's employer.

91.5 Subd. 2. **Responsibility.** A person required to be licensed under this section who  
 91.6 performs animal waste management or application for hire or who employs a person to  
 91.7 perform animal waste management or application for compensation is responsible for  
 91.8 proper management or application of the animal wastes.

91.9 Subd. 3. **License.** (a) A commercial animal waste technician license, including  
 91.10 applicator, site manager, and company:

91.11 (1) is valid for ~~three years~~ one year and expires on December 31 of the ~~third~~ year for  
 91.12 which it is issued, unless suspended or revoked before that date;

91.13 (2) is not transferable to another person; and

91.14 (3) must be prominently displayed to the public in the commercial animal waste  
 91.15 technician's place of business.

91.16 (b) The commercial animal waste technician company license number assigned by  
 91.17 the commissioner must appear on the application equipment when a person manages  
 91.18 or applies animal waste for hire.

91.19 Subd. 4. **Application.** (a) A person must apply to the commissioner for a commercial  
 91.20 animal waste technician license on forms and in the manner required by the commissioner  
 91.21 and must include the application fee. The commissioner shall prescribe and administer  
 91.22 an examination or equivalent measure to determine if the applicant is eligible for the  
 91.23 commercial animal waste technician license, site manager license or applicator license.

91.24 (b) The commissioner of agriculture, in cooperation with the University of  
 91.25 Minnesota Extension Service and appropriate educational institutions, shall establish and  
 91.26 implement a program for training and licensing commercial animal waste technicians.

32.21 Subd. 5. **Renewal application.** (a) A person must apply to the commissioner of  
 32.22 agriculture to renew a commercial animal waste technician license and must include the  
 32.23 application fee. The commissioner may renew a commercial animal waste technician  
 32.24 applicator or site manager license, subject to reexamination, attendance at workshops  
 32.25 approved by the commissioner, or other requirements imposed by the commissioner to  
 32.26 provide the animal waste technician with information regarding changing technology and  
 32.27 to help ensure a continuing level of competence and ability to manage and apply animal  
 32.28 wastes properly. The applicant may renew a commercial animal waste technician license  
 32.29 within 12 months after expiration of the license without having to meet initial testing  
 32.30 requirements. The commissioner may require additional demonstration of animal waste  
 32.31 technician qualification if a person has had a license suspended or revoked or has had a  
 32.32 history of violations of this section.

32.33 (b) An applicant who meets renewal requirements by reexamination instead  
 32.34 of attending workshops must pay a fee for the reexamination as determined by the  
 32.35 commissioner.

33.1 Subd. 6. **Financial responsibility.** (a) A commercial animal waste technician  
 33.2 license may not be issued unless the applicant furnishes proof of financial responsibility.  
 33.3 The financial responsibility may be demonstrated by (1) proof of net assets equal to or  
 33.4 greater than \$50,000, or (2) a performance bond or insurance of the kind and in an amount  
 33.5 determined by the commissioner of agriculture.

33.6 (b) The bond or insurance must cover a period of time at least equal to the term of  
 33.7 the applicant's license. The commissioner shall immediately suspend the license of a  
 33.8 person who fails to maintain the required bond or insurance.

33.9 (c) An employee of a licensed person is not required to maintain an insurance policy  
 33.10 or bond during the time the employer is maintaining the required insurance or bond.

33.11 (d) Applications for reinstatement of a license suspended under paragraph (b) must  
 33.12 be accompanied by proof of satisfaction of judgments previously rendered.

33.13 Subd. 7. **Application fee.** (a) A person initially applying for or renewing  
 33.14 a commercial animal waste technician applicator license must pay a nonrefundable  
 33.15 application fee of \$50 and a fee of \$10 for each additional identification card requested.  
 33.16 \$25. A person initially applying for or renewing a commercial animal waste technician  
 33.17 site manager license must pay a nonrefundable application fee of \$50. A person initially  
 33.18 applying for or renewing a commercial animal waste technician company license must  
 33.19 pay a nonrefundable application fee of \$100.

33.20 (b) A license renewal application received after March 1 in the year for which the  
 33.21 license is to be issued is subject to a penalty fee of 50 percent of the application fee. The  
 33.22 penalty fee must be paid before the renewal license may be issued.

33.23 (c) An application for a duplicate commercial animal waste technician license must  
 33.24 be accompanied by a nonrefundable fee of \$10.

91.27 Subd. 5. **Renewal application.** (a) A person must apply to the commissioner of  
 91.28 agriculture to renew a commercial animal waste technician license and must include the  
 91.29 application fee. The commissioner may renew a commercial animal waste technician  
 91.30 applicator or site manager license, subject to reexamination, attendance at workshops  
 91.31 approved by the commissioner, or other requirements imposed by the commissioner to  
 91.32 provide the animal waste technician with information regarding changing technology and  
 91.33 to help ensure a continuing level of competence and ability to manage and apply animal  
 91.34 wastes properly. The applicant may renew a commercial animal waste technician license  
 91.35 within 12 months after expiration of the license without having to meet initial testing  
 91.36 requirements. The commissioner may require additional demonstration of animal waste  
 92.1 technician qualification if a person has had a license suspended or revoked or has had a  
 92.2 history of violations of this section.

92.3 (b) An applicant who meets renewal requirements by reexamination instead  
 92.4 of attending workshops must pay a fee for the reexamination as determined by the  
 92.5 commissioner.

92.6 Subd. 6. **Financial responsibility.** (a) A commercial animal waste technician  
 92.7 license may not be issued unless the applicant furnishes proof of financial responsibility.  
 92.8 The financial responsibility may be demonstrated by (1) proof of net assets equal to or  
 92.9 greater than \$50,000, or (2) a performance bond or insurance of the kind and in an amount  
 92.10 determined by the commissioner of agriculture.

92.11 (b) The bond or insurance must cover a period of time at least equal to the term of  
 92.12 the applicant's license. The commissioner shall immediately suspend the license of a  
 92.13 person who fails to maintain the required bond or insurance.

92.14 (c) An employee of a licensed person is not required to maintain an insurance policy  
 92.15 or bond during the time the employer is maintaining the required insurance or bond.

92.16 (d) Applications for reinstatement of a license suspended under paragraph (b) must  
 92.17 be accompanied by proof of satisfaction of judgments previously rendered.

92.18 Subd. 7. **Application fee.** (a) A person initially applying for or renewing  
 92.19 a commercial animal waste technician applicator license must pay a nonrefundable  
 92.20 application fee of \$50 and a fee of \$10 for each additional identification card requested.  
 92.21 \$25. A person initially applying for or renewing a commercial animal waste technician  
 92.22 site manager license must pay a nonrefundable application fee of \$50. A person initially  
 92.23 applying for or renewing a commercial animal waste technician company license must  
 92.24 pay a nonrefundable application fee of \$100.

92.25 (b) A license renewal application received after March 1 in the year for which the  
 92.26 license is to be issued is subject to a penalty fee of 50 percent of the application fee. The  
 92.27 penalty fee must be paid before the renewal license may be issued.

92.28 (c) An application for a duplicate commercial animal waste technician license must  
 92.29 be accompanied by a nonrefundable fee of \$10.

33.25 Sec. 41. Minnesota Statutes 2012, section 18C.433, subdivision 1, is amended to read:

33.26 Subdivision 1. **Requirement.** Beginning January 1, 2006, only a commercial  
 33.27 animal waste technician; site manager or commercial animal waste technician applicator  
 33.28 may apply animal waste from a feedlot that:

33.29 (1) has a capacity of 300 animal units or more; and

33.30 (2) does not have an updated manure management plan that meets the requirements  
 33.31 of Pollution Control Agency rules.

33.32 Sec. 42. Minnesota Statutes 2012, section 31.94, is amended to read:

33.33 **31.94 COMMISSIONER DUTIES.**

34.1 (a) In order to promote opportunities for organic agriculture in Minnesota, the  
 34.2 commissioner shall:

34.3 (1) survey producers and support services and organizations to determine  
 34.4 information and research needs in the area of organic agriculture practices;

34.5 (2) work with the University of Minnesota to demonstrate the on-farm applicability  
 34.6 of organic agriculture practices to conditions in this state;

34.7 (3) direct the programs of the department so as to work toward the promotion of  
 34.8 organic agriculture in this state;

34.9 (4) inform agencies of how state or federal programs could utilize and support  
 34.10 organic agriculture practices; and

34.11 (5) work closely with producers, the University of Minnesota, the Minnesota Trade  
 34.12 Office, and other appropriate organizations to identify opportunities and needs as well  
 34.13 as ensure coordination and avoid duplication of state agency efforts regarding research,  
 34.14 teaching, marketing, and extension work relating to organic agriculture.

34.15 (b) By November 15 of each year that ends in a zero or a five, the commissioner,  
 34.16 in conjunction with the task force created in paragraph (c), shall report on the status of  
 34.17 organic agriculture in Minnesota to the legislative policy and finance committees and  
 34.18 divisions with jurisdiction over agriculture. The report must include available data on  
 34.19 organic acreage and production, available data on the sales or market performance of  
 34.20 organic products, and recommendations regarding programs, policies, and research efforts  
 34.21 that will benefit Minnesota's organic agriculture sector.

92.30 Sec. 10. Minnesota Statutes 2012, section 18C.433, subdivision 1, is amended to read:

92.31 Subdivision 1. **Requirement.** Beginning January 1, 2006, only a commercial  
 92.32 animal waste technician; site manager or commercial animal waste technician applicator  
 92.33 may apply animal waste from a feedlot that:

92.34 (1) has a capacity of 300 animal units or more; and

93.1 (2) does not have an updated manure management plan that meets the requirements  
 93.2 of Pollution Control Agency rules.

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9.22 Sec. 14. Minnesota Statutes 2012, section 31.94, is amended to read:

9.23 **31.94 COMMISSIONER DUTIES.**

9.24 (a) In order to promote opportunities for organic agriculture in Minnesota, the  
 9.25 commissioner shall:

9.26 (1) survey producers and support services and organizations to determine  
 9.27 information and research needs in the area of organic agriculture practices;

9.28 (2) work with the University of Minnesota to demonstrate the on-farm applicability  
 9.29 of organic agriculture practices to conditions in this state;

9.30 (3) direct the programs of the department so as to work toward the promotion of  
 9.31 organic agriculture in this state;

9.32 (4) inform agencies of how state or federal programs could utilize and support  
 9.33 organic agriculture practices; and

10.1 (5) work closely with producers, the University of Minnesota, the Minnesota Trade  
 10.2 Office, and other appropriate organizations to identify opportunities and needs as well  
 10.3 as ensure coordination and avoid duplication of state agency efforts regarding research,  
 10.4 teaching, marketing, and extension work relating to organic agriculture.

10.5 (b) By November 15 of each year that ends in a zero or a five, the commissioner,  
 10.6 in conjunction with the task force created in paragraph (c), shall report on the status of  
 10.7 organic agriculture in Minnesota to the legislative policy and finance committees and  
 10.8 divisions with jurisdiction over agriculture. The report must include available data on  
 10.9 organic acreage and production, available data on the sales or market performance of  
 10.10 organic products, and recommendations regarding programs, policies, and research efforts  
 10.11 that will benefit Minnesota's organic agriculture sector.

34.22 (c) A Minnesota Organic Advisory Task Force shall advise the commissioner and the  
 34.23 University of Minnesota on policies and programs that will improve organic agriculture in  
 34.24 Minnesota, including how available resources can most effectively be used for outreach,  
 34.25 education, research, and technical assistance that meet the needs of the organic agriculture  
 34.26 community. The task force must consist of the following residents of the state:

34.27 (1) three organic farmers ~~using organic agriculture methods~~;

34.28 (2) one wholesaler or distributor of organic products;

34.29 (3) one representative of organic certification agencies;

34.30 (4) two organic processors;

34.31 (5) one representative from University of Minnesota Extension;

34.32 (6) one University of Minnesota faculty member;

34.33 (7) one representative from a nonprofit organization representing producers;

34.34 (8) two public members;

34.35 (9) one representative from the United States Department of Agriculture;

34.36 (10) one retailer of organic products; and

35.1 (11) one organic consumer representative.

35.2 The commissioner, in consultation with the director of the Minnesota Agricultural  
 35.3 Experiment Station; the dean and director of University of Minnesota Extension; and the  
 35.4 dean of the College of Food, Agricultural and Natural Resource Sciences, shall appoint  
 35.5 members to serve ~~staggered two-year~~ three-year terms.

35.6 Compensation and removal of members are governed by section 15.059, subdivision  
 35.7 6. The task force must meet at least twice each year and expires on June 30, ~~2013~~ 2016.

35.8 (d) For the purposes of expanding, improving, and developing production and  
 35.9 marketing of the organic products of Minnesota agriculture, the commissioner may  
 35.10 receive funds from state and federal sources and spend them, including through grants or  
 35.11 contracts, to assist producers and processors to achieve certification, to conduct education  
 35.12 or marketing activities, to enter into research and development partnerships, or to address  
 35.13 production or marketing obstacles to the growth and well-being of the industry.

35.14 (e) The commissioner may facilitate the registration of state organic production  
 35.15 and handling operations including those exempt from organic certification according to  
 35.16 Code of Federal Regulations, title 7, section 205.101, and certification agents operating  
 35.17 within the state.

35.18 Sec. 43. Minnesota Statutes 2012, section 41A.10, subdivision 2, is amended to read:

10.12 (c) A Minnesota Organic Advisory Task Force shall advise the commissioner and the  
 10.13 University of Minnesota on policies and programs that will improve organic agriculture in  
 10.14 Minnesota, including how available resources can most effectively be used for outreach,  
 10.15 education, research, and technical assistance that meet the needs of the organic agriculture  
 10.16 community. The task force must consist of the following residents of the state:

10.17 (1) three organic farmers ~~using organic agriculture methods~~;

10.18 (2) one wholesaler or distributor of organic products;

10.19 (3) one representative of organic certification agencies;

10.20 (4) two organic processors;

10.21 (5) one representative from University of Minnesota Extension;

10.22 (6) one University of Minnesota faculty member;

10.23 (7) one representative from a nonprofit organization representing producers;

10.24 (8) two public members;

10.25 (9) one representative from the United States Department of Agriculture;

10.26 (10) one retailer of organic products; and

10.27 (11) one organic consumer representative.

10.28 The commissioner, in consultation with the director of the Minnesota Agricultural  
 10.29 Experiment Station; the dean and director of University of Minnesota Extension; and the  
 10.30 dean of the College of Food, Agricultural and Natural Resource Sciences, shall appoint  
 10.31 members to serve ~~staggered two~~ three-year terms.

10.32 Compensation and removal of members are governed by section 15.059, subdivision  
 10.33 6. The task force must meet at least twice each year and expires on June 30, ~~2013~~ 2016.

10.34 (d) For the purposes of expanding, improving, and developing production and  
 10.35 marketing of the organic products of Minnesota agriculture, the commissioner may  
 10.36 receive funds from state and federal sources and spend them, including through grants or  
 11.1 contracts, to assist producers and processors to achieve certification, to conduct education  
 11.2 or marketing activities, to enter into research and development partnerships, or to address  
 11.3 production or marketing obstacles to the growth and well-being of the industry.

11.4 (e) The commissioner may facilitate the registration of state organic production  
 11.5 and handling operations including those exempt from organic certification according to  
 11.6 Code of Federal Regulations, title 7, section 205.101, and certification agents operating  
 11.7 within the state.

14.18 Section 1. Minnesota Statutes 2012, section 41A.10, subdivision 2, is amended to read:

35.19 Subd. 2. **Cellulosic biofuel production goal.** The state cellulosic biofuel production  
 35.20 goal is one-quarter of the total amount necessary for ~~ethanol~~ biofuel use required under  
 35.21 section 239.791, subdivision ~~4a~~ 1, by 2015 or when cellulosic biofuel facilities in the state  
 35.22 attain a total annual production level of 60,000,000 gallons, whichever is first.

35.23 Sec. 44. Minnesota Statutes 2012, section 41A.10, is amended by adding a subdivision  
 35.24 to read:

35.25 Subd. 3. **Expiration.** This section expires January 1, 2015.

35.26 Sec. 45. Minnesota Statutes 2012, section 41A.105, subdivision 1a, is amended to read:

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

35.28 (1) "biobased content" means a chemical, polymer, monomer, or plastic that is not  
 35.29 sold primarily for use as food, feed, or fuel and that has a biobased percentage of at least  
 35.30 51 percent as determined by testing representative samples using American Society for  
 35.31 Testing and Materials specification D6866;

35.32 (2) "biobased formulated product" means a product that is not sold primarily for use  
 35.33 as food, feed, or fuel and that has a biobased content percentage of at least ten percent  
 36.1 as determined by testing representative samples using American Society for Testing  
 36.2 and Materials specification D6866, or that contains a biobased chemical constituent  
 36.3 that displaces a known hazardous or toxic constituent previously used in the product  
 36.4 formulation;

36.5 (+) (3) "biobutanol facility" means a facility at which biobutanol is produced; and

36.6 (2) (4) "biobutanol" means fermentation isobutyl alcohol that is derived from  
 36.7 agricultural products, including potatoes, cereal grains, cheese whey, and sugar beets;  
 36.8 forest products; or other renewable resources, including residue and waste generated  
 36.9 from the production, processing, and marketing of agricultural products, forest products,  
 36.10 and other renewable resources.

36.11 Sec. 46. Minnesota Statutes 2012, section 41A.105, subdivision 3, is amended to read:

36.12 Subd. 3. **Duties.** The board shall research and report to the commissioner of  
 36.13 agriculture and to the legislature recommendations as to how the state can invest its  
 36.14 resources to most efficiently achieve energy independence, agricultural and natural  
 36.15 resources sustainability, and rural economic vitality. The board shall:

36.16 (1) examine the future of fuels, such as synthetic gases, biobutanol, hydrogen,  
 36.17 methanol, biodiesel, and ethanol within Minnesota;

36.18 (2) examine the opportunity for biobased content and biobased formulated product  
 36.19 production at integrated biorefineries or stand alone facilities using agricultural and  
 36.20 forestry feedstocks;

14.19 Subd. 2. **Cellulosic biofuel production goal.** The state cellulosic biofuel production  
 14.20 goal is one-quarter of the total amount necessary for ~~ethanol~~ biofuel use required under  
 14.21 section 239.791, subdivision ~~4a~~ 1, by 2015 or when cellulosic biofuel facilities in the state  
 14.22 attain a total annual production level of 60,000,000 gallons, whichever is first.

14.23 Sec. 2. Minnesota Statutes 2012, section 41A.10, is amended by adding a subdivision  
 14.24 to read:

14.25 Subd. 3. **Expiration.** This section expires January 1, 2015.

14.26 Sec. 3. Minnesota Statutes 2012, section 41A.105, subdivision 1a, is amended to read:

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

14.28 (1) "biobased chemical" means a polymer, monomer, chemical, plastic, or  
 14.29 formulated product that is not sold primarily for the use as food, feed, or fuel and that has a  
 15.1 biobased content percentage of at least 25 percent as determined by testing representative  
 15.2 samples using American Society for Testing and Materials specification D6866;

15.3 (+) (2) "biobutanol facility" means a facility at which biobutanol is produced; and

15.4 (2) (3) "biobutanol" means fermentation isobutyl alcohol that is derived from  
 15.5 agricultural products, including potatoes, cereal grains, cheese whey, and sugar beets;  
 15.6 forest products; or other renewable resources, including residue and waste generated  
 15.7 from the production, processing, and marketing of agricultural products, forest products,  
 15.8 and other renewable resources.

15.9 Sec. 4. Minnesota Statutes 2012, section 41A.105, subdivision 3, is amended to read:

15.10 Subd. 3. **Duties.** The board shall research and report to the commissioner of  
 15.11 agriculture and to the legislature recommendations as to how the state can invest its  
 15.12 resources to most efficiently achieve energy independence, agricultural and natural  
 15.13 resources sustainability, and rural economic vitality. The board shall:

15.14 (1) examine the future of fuels, such as synthetic gases, biobutanol, hydrogen,  
 15.15 methanol, biodiesel, and ethanol within Minnesota;

15.16 (2) examine the opportunity for biobased chemical production by integrated  
 15.17 biorefineries or stand-alone facilities that use agricultural and forestry feedstocks;

36.21 ~~(2)~~ (3) develop equity grant programs to assist locally owned facilities;

36.22 ~~(3)~~ (4) study the proper role of the state in creating financing and investing and  
36.23 providing incentives;

36.24 ~~(4)~~ (5) evaluate how state and federal programs, including the Farm Bill, can best  
36.25 work together and leverage resources;

36.26 ~~(5)~~ (6) work with other entities and committees to develop a clean energy program;  
36.27 and

36.28 ~~(6)~~ (7) report to the legislature before February 1 each year with recommendations  
36.29 as to appropriations and results of past actions and projects.

36.30 Sec. 47. Minnesota Statutes 2012, section 41A.105, subdivision 5, is amended to read:

36.31 Subd. 5. **Expiration.** This section expires June 30, ~~2014~~ 2015.

36.32 Sec. 48. Minnesota Statutes 2012, section 41A.12, is amended by adding a subdivision  
36.33 to read:

37.1 Subd. 3a. **Grant awards.** Grant projects may continue for up to three years.  
37.2 Multiyear projects must be reevaluated by the commissioner before second- and third-year  
37.3 funding is approved. A project is limited to one grant for its funding.

37.4 Sec. 49. Minnesota Statutes 2012, section 41B.04, subdivision 9, is amended to read:

37.5 Subd. 9. **Restructured loan agreement.** (a) For a deferred restructured loan, all  
37.6 payments on the primary and secondary principal, all payments of interest on the secondary  
37.7 principal, and an agreed portion of the interest payable to the eligible agricultural lender  
37.8 on the primary principal must be deferred to the end of the term of the loan.

37.9 (b) Interest on secondary principal must accrue at a below market interest rate.

15.18 ~~(2)~~ (3) develop equity grant programs to assist locally owned facilities;

15.19 ~~(3)~~ (4) study the proper role of the state in creating financing and investing and  
15.20 providing incentives;

15.21 ~~(4)~~ (5) evaluate how state and federal programs, including the Farm Bill, can best  
15.22 work together and leverage resources;

15.23 ~~(5)~~ (6) work with other entities and committees to develop a clean energy program;  
15.24 and

15.25 ~~(6)~~ (7) report to the legislature before February 1 each year with recommendations  
15.26 as to appropriations and results of past actions and projects.

11.8 Sec. 15. Minnesota Statutes 2012, section 41A.105, subdivision 5, is amended to read:

11.9 Subd. 5. **Expiration.** This section expires June 30, ~~2014~~ 2015.

11.10 Sec. 16. Minnesota Statutes 2012, section 41A.12, subdivision 3, is amended to read:

11.11 Subd. 3. **Oversight.** The commissioner, in consultation with the chairs and ranking  
11.12 minority members of the house of representatives and senate committees with jurisdiction  
11.13 over agriculture finance, must allocate available funds among eligible uses, develop  
11.14 competitive eligibility criteria, and award funds on a needs basis. By February 1 each  
11.15 year, the commissioner shall report to the legislature on the allocation among eligible uses  
11.16 and any financial assistance provided under this section.

11.17 Sec. 17. Minnesota Statutes 2012, section 41A.12, is amended by adding a subdivision  
11.18 to read:

11.19 Subd. 3a. **Grant awards.** Grant projects may continue for up to three years.  
11.20 Multiyear projects must be reevaluated by the commissioner before second- and third-year  
11.21 funding is approved. A project is limited to one grant for its funding.

11.22 Sec. 18. Minnesota Statutes 2012, section 41B.04, subdivision 9, is amended to read:

11.23 Subd. 9. **Restructured loan agreement.** (a) For a deferred restructured loan, all  
11.24 payments on the primary and secondary principal, all payments of interest on the secondary  
11.25 principal, and an agreed portion of the interest payable to the eligible agricultural lender  
11.26 on the primary principal must be deferred to the end of the term of the loan.

11.27 (b) Interest on secondary principal must accrue at a below market interest rate.

37.10 (c) At the conclusion of the term of the restructured loan, the borrower owes primary  
 37.11 principal, secondary principal, and deferred interest on primary and secondary principal.  
 37.12 However, part of this balloon payment may be forgiven following an appraisal by the  
 37.13 lender and the authority to determine the current market value of the real estate subject to  
 37.14 the mortgage. If the current market value of the land after appraisal is less than the amount  
 37.15 of debt owed by the borrower to the lender and authority on this obligation, that portion of  
 37.16 the obligation that exceeds the current market value of the real property must be forgiven  
 37.17 by the lender and the authority in the following order:

37.18 (1) deferred interest on secondary principal;

37.19 (2) secondary principal;

37.20 (3) deferred interest on primary principal;

37.21 (4) primary principal as provided in an agreement between the authority and the  
 37.22 lender; and

37.23 (5) accrued but not deferred interest on primary principal.

37.24 (d) For an amortized restructured loan, payments must include installments on  
 37.25 primary principal and interest on the primary principal. An amortized restructured loan  
 37.26 must be amortized over a time period and upon terms to be established by the authority by  
 37.27 rule.

37.28 (e) A borrower may prepay the restructured loan, with all primary and secondary  
 37.29 principal and interest and deferred interest at any time ~~without prepayment penalty~~.

37.30 (f) The authority may not participate in refinancing a restructured loan at the  
 37.31 conclusion of the restructured loan.

37.32 Sec. 50. Minnesota Statutes 2012, section 41D.01, subdivision 4, is amended to read:

37.33 Subd. 4. **Expiration.** This section expires on June 30, ~~2013~~ 2018.

38.1 Sec. 51. Minnesota Statutes 2012, section 116J.437, subdivision 1, is amended to read:

38.2 Subdivision 1. **Definitions.** (a) For the purpose of this section, the following terms  
 38.3 have the meanings given.

38.4 (b) "Green economy" means products, processes, methods, technologies, or services  
 38.5 intended to do one or more of the following:

38.6 (1) increase the use of energy from renewable sources, including through achieving  
 38.7 the renewable energy standard established in section 216B.1691;

38.8 (2) achieve the statewide energy-savings goal established in section 216B.2401,  
 38.9 including energy savings achieved by the conservation investment program under section  
 38.10 216B.241;

11.28 (c) At the conclusion of the term of the restructured loan, the borrower owes primary  
 11.29 principal, secondary principal, and deferred interest on primary and secondary principal.  
 11.30 However, part of this balloon payment may be forgiven following an appraisal by the  
 11.31 lender and the authority to determine the current market value of the real estate subject to  
 11.32 the mortgage. If the current market value of the land after appraisal is less than the amount  
 12.1 of debt owed by the borrower to the lender and authority on this obligation, that portion of  
 12.2 the obligation that exceeds the current market value of the real property must be forgiven  
 12.3 by the lender and the authority in the following order:

12.4 (1) deferred interest on secondary principal;

12.5 (2) secondary principal;

12.6 (3) deferred interest on primary principal;

12.7 (4) primary principal as provided in an agreement between the authority and the  
 12.8 lender; and

12.9 (5) accrued but not deferred interest on primary principal.

12.10 (d) For an amortized restructured loan, payments must include installments on  
 12.11 primary principal and interest on the primary principal. An amortized restructured loan  
 12.12 must be amortized over a time period and upon terms to be established by the authority by  
 12.13 rule.

12.14 (e) A borrower may prepay the restructured loan, with all primary and secondary  
 12.15 principal and interest and deferred interest at any time ~~without prepayment penalty~~.

12.16 (f) The authority may not participate in refinancing a restructured loan at the  
 12.17 conclusion of the restructured loan.

12.18 Sec. 19. Minnesota Statutes 2012, section 41D.01, subdivision 4, is amended to read:

12.19 Subd. 4. **Expiration.** This section expires on June 30, ~~2013~~ 2018.

15.27 Sec. 5. Minnesota Statutes 2012, section 116J.437, subdivision 1, is amended to read:

15.28 Subdivision 1. **Definitions.** (a) For the purpose of this section, the following terms  
 15.29 have the meanings given.

15.30 (b) "Green economy" means products, processes, methods, technologies, or services  
 15.31 intended to do one or more of the following:

15.32 (1) increase the use of energy from renewable sources, including through achieving  
 15.33 the renewable energy standard established in section 216B.1691;

16.1 (2) achieve the statewide energy-savings goal established in section 216B.2401,  
 16.2 including energy savings achieved by the conservation investment program under section  
 16.3 216B.241;

38.11 (3) achieve the greenhouse gas emission reduction goals of section 216H.02,  
38.12 subdivision 1, including through reduction of greenhouse gas emissions, as defined in  
38.13 section 216H.01, subdivision 2, or mitigation of the greenhouse gas emissions through,  
38.14 but not limited to, carbon capture, storage, or sequestration;

38.15 (4) monitor, protect, restore, and preserve the quality of surface waters, including  
38.16 actions to further the purposes of the Clean Water Legacy Act as provided in section  
38.17 114D.10, subdivision 1;

38.18 (5) expand the use of biofuels, including by expanding the feasibility or reducing the  
38.19 cost of producing biofuels or the types of equipment, machinery, and vehicles that can  
38.20 use biofuels, including activities to achieve the ~~biofuels 25 by 2025 initiative in sections~~  
38.21 ~~41A.10, subdivision 2, and 41A.11~~ petroleum replacement goal in section 239.7911; or

38.22 (6) increase the use of green chemistry, as defined in section 116.9401.

38.23 For the purpose of clause (3), "green economy" includes strategies that reduce carbon  
38.24 emissions, such as utilizing existing buildings and other infrastructure, and utilizing mass  
38.25 transit or otherwise reducing commuting for employees.

38.26 Sec. 52. Minnesota Statutes 2012, section 216E.12, subdivision 4, is amended to read:

16.4 (3) achieve the greenhouse gas emission reduction goals of section 216H.02,  
16.5 subdivision 1, including through reduction of greenhouse gas emissions, as defined in  
16.6 section 216H.01, subdivision 2, or mitigation of the greenhouse gas emissions through,  
16.7 but not limited to, carbon capture, storage, or sequestration;

16.8 (4) monitor, protect, restore, and preserve the quality of surface waters, including  
16.9 actions to further the purposes of the Clean Water Legacy Act as provided in section  
16.10 114D.10, subdivision 1;

16.11 (5) expand the use of biofuels, including by expanding the feasibility or reducing the  
16.12 cost of producing biofuels or the types of equipment, machinery, and vehicles that can  
16.13 use biofuels, including activities to achieve the ~~biofuels 25 by 2025 initiative in sections~~  
16.14 ~~41A.10, subdivision 2, and 41A.11~~ petroleum replacement goal in section 239.7911; or

16.15 (6) increase the use of green chemistry, as defined in section 116.9401.

16.16 For the purpose of clause (3), "green economy" includes strategies that reduce carbon  
16.17 emissions, such as utilizing existing buildings and other infrastructure, and utilizing mass  
16.18 transit or otherwise reducing commuting for employees.

38.27 Subd. 4. **Contiguous land.** (a) When private real property that is an agricultural or  
38.28 nonagricultural homestead, nonhomestead agricultural land, rental residential property,  
38.29 and both commercial and noncommercial seasonal residential recreational property, as  
38.30 those terms are defined in section 273.13 is proposed to be acquired for the construction of  
38.31 a site or route for a high-voltage transmission line with a capacity of 200 kilovolts or more  
38.32 by eminent domain proceedings, the fee owner, ~~or when applicable, the fee owner with the~~  
38.33 ~~written consent of the contract for deed vendee, or the contract for deed vendee with the~~  
38.34 ~~written consent of the fee owner,~~ shall have the option to require the utility to condemn a  
38.35 fee interest in any amount of contiguous, ~~commercially viable~~ land which the owner or  
39.1 vendee wholly owns or ~~has contracted to own~~ in undivided fee and elects in writing to  
39.2 transfer to the utility within 60 days after receipt of the notice of the objects of the petition  
39.3 filed pursuant to section 117.055. ~~Commercial viability shall be determined without regard~~  
39.4 ~~to the presence of the utility route or site.~~ Within 60 days after receipt by the utility of  
39.5 an owner's election to exercise this option, the utility shall provide written notice to the  
39.6 owner of any objection the utility has to the owner's election, and if no objection is made  
39.7 within that time, any objection shall be deemed waived. Within 90 days of the service of  
39.8 an objection by the utility, the district court having jurisdiction over the eminent domain  
39.9 proceeding shall hold a hearing to determine whether the utility's objection is upheld or  
39.10 rejected. The owner or, ~~when applicable, the contract vendee~~ shall have only one such  
39.11 option and may not expand or otherwise modify an election without the consent of the  
39.12 utility. The required acquisition of land pursuant to this subdivision shall be considered  
39.13 an acquisition for a public purpose and for use in the utility's business, for purposes of  
39.14 chapter 117 and section 500.24, respectively; provided that a utility shall divest itself  
39.15 completely of all such lands used for farming or capable of being used for farming not  
39.16 later than the time it can receive the market value paid at the time of acquisition of lands  
39.17 less any diminution in value by reason of the presence of the utility route or site. Upon  
39.18 the owner's election made under this subdivision, the easement interest over and adjacent  
39.19 to the lands designated by the owner to be acquired in fee, sought in the condemnation  
39.20 petition for a right-of-way for a high-voltage transmission line with a capacity of 200  
39.21 kilovolts or more shall automatically be converted into a fee taking.

39.22 (b) All rights and protections provided to an owner under chapter 117, including in  
39.23 particular sections 117.031, 117.036, 117.186, and 117.52, apply to acquisition of land  
39.24 or an interest in land under this section.

39.25 (c) Within 90 days of an owner's election under this subdivision to require the utility  
39.26 to acquire land, or 90 days after a district court decision overruling a utility objection to an  
39.27 election made pursuant to paragraph (a), the utility must make a written offer to acquire  
39.28 that land and amend its condemnation petition to include the additional land.

39.29 (d) For purposes of this subdivision, "owner" means the fee owner or, when  
39.30 applicable, the fee owner with the written consent of the contract for deed vendee or the  
39.31 contract for deed vendee with the written consent of the fee owner.

39.32 **EFFECTIVE DATE.** This section is effective the day following final enactment  
 39.33 and applies to eminent domain proceedings or actions pending or commenced on or after  
 39.34 that date. "Commenced" means when service of notice of the petition under Minnesota  
 39.35 Statutes, section 117.055, is made.

40.1 Sec. 53. Minnesota Statutes 2012, section 223.17, is amended by adding a subdivision  
 40.2 to read:

40.3 Subd. 7a. **Bond requirements; claims.** For entities licensed under this chapter  
 40.4 and chapter 232, the bond requirements and claims against the bond are governed under  
 40.5 section 232.22, subdivision 6a.

40.6 Sec. 54. Minnesota Statutes 2012, section 232.22, is amended by adding a subdivision  
 40.7 to read:

40.8 Subd. 6a. **Bond determinations.** If a public grain warehouse operator is licensed  
 40.9 under both this chapter and chapter 223, the warehouse shall have its bond determined  
 40.10 by its gross annual grain purchase amount or its annual average grain storage value,  
 40.11 whichever is greater. For those entities licensed under this chapter and chapter 223, the  
 40.12 entire bond shall be available to any claims against the bond for claims filed under this  
 40.13 chapter and chapter 223.

40.14 Sec. 55. Minnesota Statutes 2012, section 239.051, is amended by adding a subdivision  
 40.15 to read:

40.16 Subd. 1a. **Advanced biofuel.** "Advanced biofuel" has the meaning given in Public  
 40.17 Law 110-140, title 2, subtitle A, section 201.

12.20 Sec. 20. Minnesota Statutes 2012, section 116V.01, subdivision 2, is amended to read:

12.21 Subd. 2. **Board of directors.** (a) The board of directors of the Agricultural  
 12.22 Utilization Research Institute is comprised of:

12.23 (1) the chairs of the senate and the house of representatives standing committees  
 12.24 with jurisdiction over agriculture finance or the chair's designee;

12.25 (2) two representatives of statewide farm organizations;

12.26 (3) two representatives of agribusiness; and

12.27 (4) three five representatives of the commodity promotion councils.

12.28 (b) A person who has been appointed pursuant to paragraph (a), clauses (2) to (4),  
 12.29 and has served for four or more terms, shall not be reappointed to the board of directors.

12.30 Sec. 21. Minnesota Statutes 2012, section 223.17, is amended by adding a subdivision  
 12.31 to read:

13.1 Subd. 7a. **Bond requirements; claims.** For entities licensed under this chapter  
 13.2 and chapter 232, the bond requirements and claims against the bond are governed under  
 13.3 section 232.22, subdivision 6a.

13.4 Sec. 22. Minnesota Statutes 2012, section 232.22, is amended by adding a subdivision  
 13.5 to read:

13.6 Subd. 6a. **Bond determinations.** If a public grain warehouse operator is licensed  
 13.7 under both this chapter and chapter 223, the warehouse shall have its bond determined  
 13.8 by its gross annual grain purchase amount or its annual average grain storage value,  
 13.9 whichever is greater. For those entities licensed under this chapter and chapter 223, the  
 13.10 entire bond shall be available to any claims against the bond for claims filed under this  
 13.11 chapter and chapter 223.

16.19 Sec. 6. Minnesota Statutes 2012, section 239.051, is amended by adding a subdivision  
 16.20 to read:

16.21 Subd. 1a. **Advanced biofuel.** "Advanced biofuel" has the meaning given in Public  
 16.22 Law 110-140, title 2, subtitle A, section 201.

40.18 Sec. 56. Minnesota Statutes 2012, section 239.051, is amended by adding a subdivision 40.19 to read:

40.20 Subd. 5a. **Biofuel.** "Biofuel" means a renewable fuel with an approved pathway  
 40.21 under authority of the federal Energy Policy Act of 2005, Public Law 109-58, as amended  
 40.22 by the federal Energy Independence and Security Act of 2007, Public Law 110-140, and  
 40.23 approved for sale by the United States Environmental Protection Agency. As such, biofuel  
 40.24 includes both advanced and conventional biofuels.

40.25 Sec. 57. Minnesota Statutes 2012, section 239.051, is amended by adding a subdivision 40.26 to read:

40.27 Subd. 7a. **Conventional biofuel.** "Conventional biofuel" means ethanol derived  
 40.28 from cornstarch, as defined in Public Law 110-140, title 2, subtitle A, section 201.

40.29 Sec. 58. Minnesota Statutes 2012, section 239.791, subdivision 1, is amended to read:

40.30 Subdivision 1. **Minimum ethanol biofuel content required.** (a) Except as provided  
 40.31 in subdivisions 10 to 14, a person responsible for the product shall ensure that all gasoline  
 41.1 sold or offered for sale in Minnesota must contain at least the quantity of ethanol biofuel  
 41.2 required by clause (1) or (2), whichever is greater at the option of the person responsible  
 41.3 for the product:

16.23 Sec. 7. Minnesota Statutes 2012, section 239.051, is amended by adding a subdivision 16.24 to read:

16.25 Subd. 5a. **Biofuel.** "Biofuel" means a renewable fuel with an approved pathway  
 16.26 under authority of the federal Energy Policy Act of 2005, Public Law 109-58, as amended  
 16.27 by the federal Energy Independence and Security Act of 2007, Public Law 110-140,  
 16.28 and approved for sale by the United States Environmental Protection Agency. The term  
 16.29 "biofuel" includes both advanced and conventional biofuels.

16.30 Sec. 8. Minnesota Statutes 2012, section 239.051, is amended by adding a subdivision 16.31 to read:

16.32 Subd. 7a. **Conventional biofuel.** "Conventional biofuel" means ethanol derived  
 16.33 from cornstarch, as defined in Public Law 110-140, title 2, subtitle A, section 201.

17.1 Sec. 9. Minnesota Statutes 2012, section 239.761, subdivision 3, is amended to read:

17.2 Subd. 3. **Gasoline.** (a) Gasoline that is not blended with ~~ethanol biofuel~~ must not be  
 17.3 contaminated with water or other impurities and must comply with ASTM specification  
 17.4 D4814-08b. Gasoline that is not blended with ~~ethanol biofuel~~ must also comply with the  
 17.5 volatility requirements in Code of Federal Regulations, title 40, part 80.

17.6 (b) After gasoline is sold, transferred, or otherwise removed from a refinery or  
 17.7 terminal, a person responsible for the product:

17.8 (1) may blend the gasoline with agriculturally derived ethanol as provided in  
 17.9 subdivision 4;

17.10 (2) shall not blend the gasoline with any oxygenate other than ~~denatured,~~  
 17.11 ~~agriculturally derived ethanol biofuel;~~

17.12 (3) shall not blend the gasoline with other petroleum products that are not gasoline  
 17.13 or ~~denatured, agriculturally derived ethanol biofuel;~~

17.14 (4) shall not blend the gasoline with products commonly and commercially known  
 17.15 as casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or  
 17.16 natural gasoline; and

17.17 (5) may blend the gasoline with a detergent additive, an antiknock additive, or an  
 17.18 additive designed to replace tetra-ethyl lead, that is registered by the EPA.

17.19 Sec. 10. Minnesota Statutes 2012, section 239.791, subdivision 1, is amended to read:

17.20 Subdivision 1. **Minimum ethanol biofuel content required.** (a) Except as provided  
 17.21 in subdivisions 10 to 14, a person responsible for the product shall ensure that all gasoline  
 17.22 sold or offered for sale in Minnesota must contain at least the quantity of ethanol biofuel  
 17.23 required by clause (1) or (2), whichever is greater at the option of the person responsible  
 17.24 for the product:

41.4 (1) the greater of:

41.5 (i) 10.0 percent ~~denatured ethanol~~ conventional biofuel by volume; or

41.6 (2) (ii) the maximum percent of ~~denatured ethanol~~ conventional biofuel by volume

41.7 authorized in a waiver granted by the United States Environmental Protection Agency; or

41.8 (2) 10.0 percent of a biofuel, other than a conventional biofuel, by volume authorized

41.9 in a waiver granted by the United States Environmental Protection Agency or a biofuel

41.10 formulation registered by the United States Environmental Protection Agency under

41.11 United States Code, title 42, section 7545.

41.12 (b) For purposes of enforcing the ~~minimum ethanol~~ requirement of paragraph

41.13 (a), clause (1), ~~item (i), or clause (2), a gasoline/ethanol~~ gasoline/biofuel blend will be

41.14 construed to be in compliance if the ~~ethanol~~ biofuel content, exclusive of denaturants and

41.15 other permitted components, comprises not less than 9.2 percent by volume and not more

41.16 than 10.0 percent by volume of the blend as determined by an appropriate United States

41.17 Environmental Protection Agency or American Society of Testing Materials standard

41.18 ~~method of analysis of alcohol/ether content in engine fuels.~~

41.19 (c) ~~The provisions of this subdivision are suspended during any period of time that~~

41.20 ~~subdivision 1a, paragraph (a), is in effect. The aggregate amount of biofuel blended~~

41.21 ~~pursuant to this subdivision may be any biofuel; however, conventional biofuel must~~

41.22 ~~comprise no less than the portion specified on and after the specified dates:~~

41.23 (1) July 1, 2013 90 percent

41.24 (2) January 1, 2015 80 percent

41.25 (3) January 1, 2017 70 percent

41.26 (4) January 1, 2020 60 percent

41.27 (5) January 1, 2025 no minimum

41.28 Sec. 59. Minnesota Statutes 2012, section 239.791, subdivision 2a, is amended to read:

17.25 (1) the greater of:

17.26 (i) 10.0 percent ~~denatured ethanol~~ conventional biofuel by volume; or

17.27 (2) (ii) the maximum percent of ~~denatured ethanol~~ conventional biofuel by volume

17.28 authorized in a waiver granted by the United States Environmental Protection Agency; or

17.29 (2) 10.0 percent of a biofuel, other than a conventional biofuel, by volume authorized

17.30 in a waiver granted by the United States Environmental Protection Agency or a biofuel

17.31 formulation registered by the United States Environmental Protection Agency under

17.32 United States Code, title 42, section 7545.

17.33 (b) For purposes of enforcing the ~~minimum ethanol~~ requirement of paragraph (a),

17.34 clause (1), ~~item (i), a gasoline/ethanol~~ gasoline/biofuel blend will be construed to be in

17.35 compliance if the ~~ethanol~~ biofuel content, exclusive of denaturants and other permitted

18.1 components, comprises not less than 9.2 percent by volume and not more than 10.0 percent

18.2 by volume of the blend as determined by an appropriate United States Environmental

18.3 Protection Agency or American Society of Testing Materials standard method of analysis

18.4 ~~of alcohol/ether content in engine fuels.~~

18.5 (c) ~~The provisions of this subdivision are suspended during any period of time that~~

18.6 ~~subdivision 1a, paragraph (a), is in effect. The aggregate amount of biofuel blended~~

18.7 ~~pursuant to this subdivision may be any biofuel; however, conventional biofuel must~~

18.8 ~~comprise no less than the portion specified on and after the specified dates:~~

18.9 (1) July 1, 2013 90 percent

18.10 (2) January 1, 2015 80 percent

18.11 (3) January 1, 2017 70 percent

18.12 (4) January 1, 2020 60 percent

18.13 (5) January 1, 2025 no minimum

18.14 Sec. 11. Minnesota Statutes 2012, section 239.791, subdivision 2a, is amended to read:

41.29 Subd. 2a. **Federal Clean Air Act waivers; conditions.** (a) Before a waiver granted 41.30 by the United States Environmental Protection Agency under ~~section 211(f)(4) of the~~ 41.31 ~~Clean Air Act~~, United States Code, title 42, section 7545, subsection (f), paragraph (4); 41.32 may alter the minimum content level required by subdivision 1, paragraph (a), clause (2); 41.33 ~~or subdivision 1a, paragraph (a), clause (2) (1), item (ii), the waiver must:~~

41.34 (1) apply to all gasoline-powered motor vehicles irrespective of model year; and

41.35 (2) allow for special regulatory treatment of Reid vapor pressure under Code of 41.36 Federal Regulations, title 40, section 80.27, paragraph (d), for blends of gasoline and 42.1 ethanol up to the maximum percent of denatured ethanol by volume authorized under 42.2 the waiver.

42.3 (b) The minimum ~~ethanol~~ biofuel requirement in subdivision 1, paragraph (a), clause 42.4 (2), ~~or subdivision 1a, paragraph (a), clause (2)~~, shall, upon the grant of the federal waiver 42.5 ~~or authority specified in United States Code, title 42, section 7545, that allows for greater~~ 42.6 blends of gasoline and biofuel in this state, be effective the day after the commissioner 42.7 of commerce publishes notice in the State Register. In making this determination, the 42.8 commissioner shall consider the amount of time required by refiners, retailers, pipeline 42.9 and distribution terminal companies, and other fuel suppliers, acting expeditiously, to 42.10 make the operational and logistical changes required to supply fuel in compliance with 42.11 the minimum ~~ethanol~~ biofuel requirement.

42.12 Sec. 60. Minnesota Statutes 2012, section 239.791, subdivision 2b, is amended to read:

42.13 Subd. 2b. **Limited liability waiver.** No motor fuel shall be deemed to be a defective 42.14 product by virtue of the fact that the motor fuel is formulated or blended pursuant to 42.15 the requirements of subdivision 1, paragraph (a), clause (2), ~~or subdivision 1a~~, under 42.16 any theory of liability except for simple or willful negligence or fraud. This subdivision 42.17 does not preclude an action for negligent, fraudulent, or willful acts. This subdivision 42.18 does not affect a person whose liability arises under chapter 115, water pollution control; 42.19 115A, waste management; 115B, environmental response and liability; 115C, leaking 42.20 underground storage tanks; or 299J, pipeline safety; under public nuisance law for damage 42.21 to the environment or the public health; under any other environmental or public health 42.22 law; or under any environmental or public health ordinance or program of a municipality 42.23 as defined in section 466.01.

42.24 Sec. 61. Minnesota Statutes 2012, section 239.7911, is amended to read:

42.25 **239.7911 PETROLEUM REPLACEMENT PROMOTION.**

42.26 Subdivision 1. **Petroleum replacement goal.** The tiered petroleum replacement 42.27 goal of the state of Minnesota is that biofuel comprises at least the specified portion of 42.28 total gasoline sold or offered for sale in this state by each specified year:

42.29 (1) ~~at least 20 percent of the liquid fuel sold in the state is derived from renewable~~ 42.30 ~~sources by December 31, 2015; and~~

18.15 Subd. 2a. **Federal Clean Air Act waivers; conditions.** (a) Before a waiver granted 18.16 by the United States Environmental Protection Agency under ~~section 211(f)(4) of the~~ 18.17 ~~Clean Air Act~~, United States Code, title 42, section 7545, subsection (f), paragraph (4); 18.18 may alter the minimum content level required by subdivision 1, paragraph (a), clause (2); 18.19 ~~or subdivision 1a, paragraph (a), clause (2) (1), item (ii), the waiver must:~~

18.20 (1) apply to all gasoline-powered motor vehicles irrespective of model year; and

18.21 (2) allow for special regulatory treatment of Reid vapor pressure under Code of 18.22 Federal Regulations, title 40, section 80.27, paragraph (d), for blends of gasoline and 18.23 ethanol up to the maximum percent of denatured ethanol by volume authorized under 18.24 the waiver.

18.25 (b) The minimum ~~ethanol~~ biofuel requirement in subdivision 1, paragraph (a), clause 18.26 (2), ~~or subdivision 1a, paragraph (a), clause (2)~~, (1), item (ii), shall, upon the grant of the 18.27 federal waiver, be effective the day after the commissioner of commerce publishes notice 18.28 in the State Register. In making this determination, the commissioner shall consider the 18.29 amount of time required by refiners, retailers, pipeline and distribution terminal companies, 18.30 and other fuel suppliers, acting expeditiously, to make the operational and logistical changes 18.31 required to supply fuel in compliance with the minimum ~~ethanol~~ biofuel requirement.

18.32 Sec. 12. Minnesota Statutes 2012, section 239.791, subdivision 2b, is amended to read:

18.33 Subd. 2b. **Limited liability waiver.** No motor fuel shall be deemed to be a defective 18.34 product by virtue of the fact that the motor fuel is formulated or blended pursuant to 18.35 the requirements of subdivision 1, paragraph (a), clause (2), ~~or subdivision 1a~~ (1), item 19.1 (ii), under any theory of liability except for simple or willful negligence or fraud. This 19.2 subdivision does not preclude an action for negligent, fraudulent, or willful acts. This 19.3 subdivision does not affect a person whose liability arises under chapter 115, water 19.4 pollution control; 115A, waste management; 115B, environmental response and liability; 19.5 115C, leaking underground storage tanks; or 299J, pipeline safety; under public nuisance 19.6 law for damage to the environment or the public health; under any other environmental or 19.7 public health law; or under any environmental or public health ordinance or program of a 19.8 municipality as defined in section 466.01.

19.9 Sec. 13. Minnesota Statutes 2012, section 239.7911, is amended to read:

19.10 **239.7911 PETROLEUM REPLACEMENT PROMOTION.**

19.11 Subdivision 1. **Petroleum replacement goal.** The tiered petroleum replacement 19.12 goal of the state of Minnesota is that biofuel comprises at least the specified portion of 19.13 total gasoline sold or offered for sale in this state by each specified year:

19.14 (1) ~~at least 20 percent of the liquid fuel sold in the state is derived from renewable~~ 19.15 ~~sources by December 31, 2015; and~~

42.31 ~~(2) at least 25 percent of the liquid fuel sold in the state is derived from renewable~~  
 42.32 ~~sources by December 31, 2025.~~

42.33 (1) 2015 14 percent

42.34 (2) 2017 18 percent

43.1 (3) 2020 25 percent

43.2 (4) 2025 30 percent

43.3 Subd. 2. **Promotion of renewable liquid fuels.** (a) The commissioner of agriculture,  
 43.4 in consultation with the commissioners of commerce and the Pollution Control Agency,  
 43.5 shall identify and implement activities necessary ~~for the widespread use of renewable~~  
 43.6 ~~liquid fuels in the state to achieve the goals in subdivision 1.~~ Beginning November  
 43.7 1, 2005, and continuing through 2015, the commissioners, or their designees, shall  
 43.8 ~~work with~~ convene a task force pursuant to section 15.014 that includes representatives  
 43.9 from the renewable fuels industry, petroleum retailers, refiners, automakers, small  
 43.10 engine manufacturers, and other interested groups, ~~to~~. The task force shall assist the  
 43.11 commissioners in carrying out the activities in paragraph (b) and eliminating barriers to the  
 43.12 use of greater biofuel blends in this state. The task force must coordinate efforts with the  
 43.13 NextGen Energy Board, the biodiesel task force, and the Renewable Energy Roundtable  
 43.14 and develop annual recommendations for administrative and legislative action.

43.15 (b) The activities of the commissioners under this subdivision shall include, but not  
 43.16 be limited to:

43.17 (1) developing recommendations for specific, cost-effective incentives necessary  
 43.18 to expedite the use of greater biofuel blends in this state including, but not limited to,  
 43.19 incentives for retailers to install equipment necessary for dispensing to dispense renewable  
 43.20 liquid fuels to the public;

43.21 (2) expanding the renewable-fuel options available to Minnesota consumers by  
 43.22 obtaining federal approval for the use of E20 and additional blends that contain a greater  
 43.23 percentage of ethanol, including but not limited to E30 and E50, as gasoline biofuel;

43.24 (3) developing recommendations for ensuring to ensure that motor vehicles and  
 43.25 small engine equipment have access to an adequate supply of fuel;

43.26 (4) working with the owners and operators of large corporate automotive fleets in the  
 43.27 state to increase their use of renewable fuels; and

19.16 ~~(2) at least 25 percent of the liquid fuel sold in the state is derived from renewable~~  
 19.17 ~~sources by December 31, 2025.~~

19.18 (1) 2015 14 percent

19.19 (2) 2017 18 percent

19.20 (3) 2020 25 percent

19.21 (4) 2025 30 percent

19.22 Subd. 2. **Promotion of renewable liquid fuels.** (a) The commissioner of agriculture,  
 19.23 in consultation with the commissioners of commerce and the Pollution Control Agency,  
 19.24 shall identify and implement activities necessary ~~for the widespread use of renewable~~  
 19.25 ~~liquid fuels in the state to achieve the goals in subdivision 1.~~ Beginning November 1,  
 19.26 2005, and continuing through 2015, the commissioners, or their designees, shall work with  
 19.27 representatives from the renewable fuels industry, petroleum retailers, refiners, automakers,  
 19.28 small engine manufacturers, and other interested groups, ~~to~~. The representatives shall assist  
 19.29 the commissioners in carrying out the activities in paragraph (b) and eliminating barriers to  
 19.30 the use of greater biofuel blends in this state. The representatives must coordinate efforts  
 19.31 with the NextGen Energy Board, the biodiesel task force, and the Renewable Energy  
 19.32 Roundtable and develop annual recommendations for administrative and legislative action.

19.33 (b) The activities of the commissioners under this subdivision shall include, but not  
 19.34 be limited to:

20.1 (1) developing recommendations for specific, cost-effective incentives necessary  
 20.2 to expedite the use of greater biofuel blends in this state including, but not limited to,  
 20.3 incentives for retailers to install equipment necessary for dispensing to dispense renewable  
 20.4 liquid fuels to the public;

20.5 (2) expanding the renewable-fuel options available to Minnesota consumers by  
 20.6 obtaining federal approval for the use of E20 and additional blends that contain a greater  
 20.7 percentage of ethanol, including but not limited to E30 and E50, as gasoline biofuel;

20.8 (3) developing recommendations for ensuring to ensure that motor vehicles and  
 20.9 small engine equipment have access to an adequate supply of fuel;

20.10 (4) working with the owners and operators of large corporate automotive fleets in the  
 20.11 state to increase their use of renewable fuels; and

43.28 (5) working to maintain an affordable retail price for liquid fuels;

43.29 (6) facilitating the production and use of advanced biofuels in this state; and

43.30 (7) developing procedures for reporting the amount and type of biofuel under

43.31 subdivision 1 and section 239.791, subdivision 1, paragraph (c).

43.32 (c) Notwithstanding section 15.014, the task force required under paragraph (a)

43.33 expires on December 31, 2015.

43.34 Sec. 62. Minnesota Statutes 2012, section 296A.01, is amended by adding a

43.35 subdivision to read:

44.1 Subd. 8b. **Biobutanol.** "Biobutanol" means isobutyl alcohol produced by

44.2 fermenting agriculturally generated organic material that is to be blended with gasoline

44.3 and meets either:

44.4 (1) the initial ASTM Standard Specification for Butanol for Blending with Gasoline

44.5 for Use as an Automotive Spark-Ignition Engine Fuel once it has been released by ASTM

44.6 for general distribution; or

44.7 (2) in the absence of an ASTM standard specification, the following list of

44.8 requirements:

44.9 (i) visually free of sediment and suspended matter;

44.10 (ii) clear and bright at the ambient temperature of 21 degrees Celsius or the ambient

44.11 temperature, whichever is higher;

44.12 (iii) free of any adulterant or contaminant that can render it unacceptable for its

44.13 commonly used applications;

44.14 (iv) contains not less than 96 volume percent isobutyl alcohol;

44.15 (v) contains not more than 0.4 volume percent methanol;

44.16 (vi) contains not more than 1.0 volume percent water as determined by ASTM

44.17 standard test method E203 or E1064;

44.18 (vii) acidity (as acetic acid) of not more than 0.007 mass percent as determined

44.19 by ASTM standard test method D1613;

44.20 (viii) solvent washed gum content of not more than 5.0 milligrams per 100 milliliters

44.21 as determined by ASTM standard test method D381;

44.22 (ix) sulfur content of not more than 30 parts per million as determined by ASTM

44.23 standard test method D2622 or D5453; and

44.24 (x) contains not more than four parts per million total inorganic sulfate.

44.25 Sec. 63. Minnesota Statutes 2012, section 296A.01, subdivision 19, is amended to read:

20.12 (5) working to maintain an affordable retail price for liquid fuels;

20.13 (6) facilitating the production and use of advanced biofuels in this state; and

20.14 (7) developing procedures for reporting the amount and type of biofuel under

20.15 subdivision 1, and section 239.791, subdivision 1, paragraph (c).

20.16 Sec. 14. Minnesota Statutes 2012, section 296A.01, is amended by adding a

20.17 subdivision to read:

20.18 Subd. 8b. **Biobutanol.** "Biobutanol" means isobutyl alcohol produced by

20.19 fermenting agriculturally generated organic material that is to be blended with gasoline,

20.20 and meets either:

20.21 (1) the initial ASTM Standard Specification for Butanol for Blending with Gasoline

20.22 for use as an Automotive Spark-Ignition Engine Fuel once it has been released by ASTM

20.23 for general distribution; or

20.24 (2) in the absence of an ASTM Standard Specification, the following list of

20.25 requirements:

20.26 (i) visually free of sediment and suspended matter;

20.27 (ii) clear and bright at the ambient temperature of 21 degrees Celsius or the ambient

20.28 temperature, whichever is higher;

20.29 (iii) free of any adulterant or contaminant that can render it unacceptable for its

20.30 commonly used applications;

20.31 (iv) contains not less than 96 volume percent isobutyl alcohol;

20.32 (v) contains not more than 0.4 volume percent methanol;

20.33 (vi) contains not more than 1.0 volume percent water as determined by ASTM

20.34 standard test method E203 or E1064;

21.1 (vii) acidity (as acetic acid) of not more than 0.007 mass percent as determined

21.2 by ASTM standard test method D1613;

21.3 (viii) solvent washed gum content of not more than 5.0 milligrams per 100 milliliters

21.4 as determined by ASTM standard test method D381;

21.5 (ix) sulfur content of not more than 30 parts per million as determined by ASTM

21.6 standard test method D2622 or D5453; and

21.7 (x) contains not more than 4 parts per million total inorganic sulfate.

13.12 Sec. 23. Minnesota Statutes 2012, section 296A.01, subdivision 19, is amended to read:

44.26 Subd. 19. **E85.** "E85" means a petroleum product that is a blend of agriculturally  
 44.27 derived denatured ethanol and gasoline or natural gasoline that typically contains not more  
 44.28 than 85 percent ethanol by volume, but at a minimum must contain ~~60~~ 51 percent ethanol by  
 44.29 volume. For the purposes of this chapter, the energy content of E85 will be considered to be  
 44.30 82,000 BTUs per gallon. E85 produced for use as a motor fuel in alternative fuel vehicles  
 44.31 as defined in subdivision 5 must comply with ASTM specification ~~D5798-07~~ D5798-11.

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

### 13-1175

1.5 Section 1. Minnesota Statutes 2012, section 583.215, is amended to read:

1.6 **583.215 EXPIRATION.**

1.7 Sections 336.9-601, subsections (h) and (i); 550.365; 559.209; 582.039; and 583.20  
 1.8 to 583.32, expire June 30, ~~2013~~ 2017.

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

### H0976-3

44.33 Sec. 64. **REVISOR'S INSTRUCTION.**

45.1 The revisor of statutes shall renumber Minnesota Statutes, section 18B.01,

45.2 subdivision 4a, as subdivision 4b and correct any cross-references.

45.3 Sec. 65. **REPEALER.**

45.4 Minnesota Statutes 2012, sections 18.91, subdivisions 3 and 5; 18B.07, subdivision

45.5 6; and 239.791, subdivision 1a, are repealed.

13.13 Subd. 19. **E85.** "E85" means a petroleum product that is a blend of agriculturally  
 13.14 derived denatured ethanol and gasoline or natural gasoline that typically contains not more  
 13.15 than 85 percent ethanol by volume, but at a minimum must contain ~~60~~ percent ethanol by  
 13.16 volume. For the purposes of this chapter, the energy content of E85 will be considered to be  
 13.17 ~~82,000 BTUs per gallon~~. E85 produced for use as a motor fuel in alternative fuel vehicles  
 13.18 as defined in subdivision 5 must comply with ASTM specification ~~D5798-07~~ D5798-11.

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

13.20 Sec. 24. Minnesota Statutes 2012, section 583.215, is amended to read:

13.21 **583.215 EXPIRATION.**

13.22 Sections 336.9-601, subsections (h) and (i); 550.365; 559.209; 582.039; and 583.20  
 13.23 to 583.32, expire June 30, ~~2013~~ 2015.

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

14.11 Sec. 27. **REVISOR'S INSTRUCTION.**

14.12 The revisor of statutes shall renumber Minnesota Statutes, section 18B.01,

14.13 subdivision 4a, as subdivision 4b and correct any cross-references.

21.8 Sec. 15. **REPEALER.**

21.9 Minnesota Statutes 2012, section 239.791, subdivision 1a, is repealed.

25.8 Sec. 12. **REPEALER.**

25.9 Minnesota Statutes 2012, section 18.91, subdivisions 3 and 5, are repealed.

14.14 Sec. 28. **REPEALER.**

14.15 Minnesota Statutes 2012, section 18B.07, subdivision 6, is repealed.