

Subject Agriculture and Broadband Finance and Policy

Authors Anderson, P.H. and Hansen, R.

Analyst Megan Mullenbach

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Overview

This bill would appropriate funding in fiscal years 2026 and 2027 to the Minnesota Department of Agriculture (MDA), the Board of Animal Health (BAH), and the Agricultural Utilization Research Institute (AURI).

This bill also makes several policy changes including amending the good food access program, broadening eligibility for the livestock investment grant program, codifying regulations of and simplifying sections on seed potatoes, updating the Licensing Food Handlers chapter, and amending Rural Finance Authority's (RFA) loan programs.

As amended, this bill would appropriate funding in fiscal years 2026 and 2027 to the Broadband Development Office in the Department of Employment and Economic Development (DEED).

Article 1: Appropriations

This article appropriates money to MDA, BAH, and AURI in fiscal years 2026 and 2027.

Section	Description - Article 1: Appropriations
1	Agriculture appropriations. Inserts boilerplate language regarding the appropriations format and terminology used in this article.
2	Department of Agriculture. Appropriates money from the general and remediation funds to the MDA for specified purposes. Subd. 1. Total appropriation. Totals the entire amount of money, by fund, appropriated to MDA in this bill.

Section Description - Article 1: Appropriations

Subd. 2. Protection services. Appropriates general fund and remediation money for MDA’s regulatory programs and inspection services. This subdivision provides funding for the following MDA divisions: Pesticide and Fertilizer Management, Laboratory Services, Plant Protection, Dairy and Meat Inspection, and Food and Feed Safety.

Subd. 3. Agricultural marketing and development. Appropriates general fund money to MDA’s Agricultural Marketing and Development Division, including the agriculture research, education, extension, and technology transfer (AGREETT) program and agricultural growth, research, and innovation (AGRI) program.

Subd. 4. Administration and financial assistance. Appropriates general fund money for agency administration and specified pass-through grants.

3 **Board of Animal Health.**

Appropriates general fund money to the Board of Animal Health.

4 **Agricultural Utilization Research Institute.**

Appropriates general fund money to the Agricultural Utilization Research Institute.

5 **Transfers; administration.**

Allows MDA to transfer positions, salary money, and nonsalary administrative money within the department as long as it has approval from the Office of Management and Budget. Requires MDA to give quarterly reports to the legislature about transfers under this section.

6 **Cancellation; fiscal year 2025.**

Cancels a \$3,000,000 fiscal year 2025 appropriation to the green fertilizer program. This section is effective the day following final enactment.

Article 2: Agriculture Statutory Changes

This article comprises the agriculture policy changes which include amending the good food access program (sections 1, 2) and best management practices loan program (sections 3, 4), broadening eligibility for the livestock investment grant program (sections 5–7), updating pesticide PFAS prohibitions (section 9), codifying regulations of and simplifying sections on seed potatoes (sections 10–36, 64), updating the Licensing Food Handlers chapter (sections 37–50), adding a milk marketer license (sections 51, 52), amending RFA’s loan programs (sections 53–61), and modifying grain buyers and storage fees (sections 62, 63).

Section Description - Article 2: Agriculture Statutory Changes

- 1 Food retail improvement and development program.**
Changes the name of the good food access program to the food retail improvement and development program. Modifies definitions of “economic or community development financial institution” and “underserved community” by adding flexibility in determinations of geographic areas. Specifies that eligible projects must serve underserved communities. Removes requirement that applicants promote the hiring, training, and retention of local or regional residents. Makes conforming changes.
- 2 Food retail improvement and development program advisory committee.**
Makes conforming changes according to section 1.
- 3 Purpose.**
Modifies the purpose of the agriculture best management practices loan program to address all landowners, not just rural landowners.
- 4 Appropriations.**
Increases the maximum appropriation amount the Public Facilities Authority can appropriate from the clean water revolving fund to the MDA for the agriculture best management practices loan program.
- 5 Establishment.**
Modifies the match amount the MDA can award applicants under the livestock investment grant program.
- 6 Definitions.**
Broadens the definition of “livestock” for purposes of the livestock investment grant program.
- 7 Eligibility.**
Expands eligibility of the livestock investment grant program to include federally recognized Tribes located in Minnesota.
- 8 Definitions.**
Modifies “eligible farmer” definition under the farm down payment assistance grant program by clarifying familial relationships.
- 9 PFAS prohibitions.**
Aligning MDA’s pesticide registration prohibition of PFAS with the Pollution Control Agency’s prohibition of intentionally added PFAS in certain products.

Section Description - Article 2: Agriculture Statutory Changes

- 10 **Definitions.**
Applies the following chapter's/section's definitions to the Inspection and Enforcement chapter: Plant Protection and Export Certification (ch. 18G), Nursery Law (ch. 18H), Industrial Hemp Development (ch. 18K), Farm Products Dealers (ch. 27), Grain Buyers (ch. 223), Warehouses (ch. 231), Grain Storage (ch. 232), Seed Potatoes (§§ 21.111–21.125), and Minnesota Seed Law (§ 21.80–21.92).
- 11 **Duties of commissioner.**
Updates MDA's administration and enforcement authority under the Inspection and Enforcement chapter to include the revised seed potato provisions.
- 12 **Civil liability.**
Updates the list of chapters and sections that which regulated parties are civilly liable to include the revised seed potato provisions.
- 13 **Access and entry.**
Updates the list of chapters and sections the MDA can cite as authority to enter sites for inspection to include the revised seed potato provisions.
- 14 **Purpose of entry.**
Updates lists of chapters and sections the MDA can use for their inspection, sampling, and investigating authority to include the revised seed potato provisions.
- 15 **Notice of inspection samples and analyses.**
Updates the list of chapters and sections that provide the methods that MDA must follow for sampling and analysis to include the revised seed potato provisions.
- 16 **Inspection requests by others.**
Updates the list of chapters and sections that individuals may cite to request MDA's inspection to include the revised seed potato provisions.
- 17 **Enforcement required.**
Updates the enforcement authority for MDA to include the revised seed potato provisions.
- 18 **Commissioner's discretion.**
Updates MDA's discretionary authority to not enforce or fully enforce violations to include the revised seed potato provisions.
- 19 **Agent for service of process.**
Updates the list of chapters and sections that which persons licensed, permitted, registered, or certified under must appoint the commissioner of agriculture as an

Section Description - Article 2: Agriculture Statutory Changes

- agent that can be served legal process on behalf of the licensee, permittee, registrant, or certified person to include the revised seed potato provisions.
- 20 **False statement or record.**
Updates the list of chapters and sections that persons are required to not make false statements in their applications, records, reports, or investigations to include the revised seed potato provisions.
- 21 **Cancellation of registration, permit, license, certification.**
Updates the chapters and sections with registrations, permits, licenses, or certifications that the MDA can cancel or revoke under to include the revised seed potato provisions.
- 22 **Service of order or notice.**
Updates the provision that details the manner in which the MDA can serve regulated parties and the actions regulated parties must take after being served to include the revised seed potato provisions.
- 23 **Unsatisfied judgments.**
Updates the list of chapters and sections that relate to unsatisfied judgments for violations to include the revised seed potato provisions.
- 24 **Crediting of penalties, fees, and costs.**
Adds the already listed accounts' statute citations, the seed potato inspection account, and the grain buyers and storage account to the list of accounts that must be credited when penalties, cost reimbursements, fees, and other money are collected in the course of MDA's inspection and enforcement.
- 25 **Definitions.**
Adds new definitions to the Seeds chapter, most of which are copies of the definitions under the seed potato certification regulations in Minnesota Rules, part 1510.2305. Makes conforming changes.
- 26 **Interstate cooperation.**
Moves a provision that allows the MDA to enter into agreements with other seed potato certification entities from the definition section to the MDA's duties section.
- 27 **Shipping point certificates; certificates of origin; and bulk certificates.**
Incorporates certificates issued by MDA under the seed potato certification regulations in Minnesota Rules, part 1510.2315, subpart 2.

Section Description - Article 2: Agriculture Statutory Changes

- 28 **Fees; seed potato inspection account.**
Makes conforming changes for sections 33–35.
- 29 **Applications for inspections; withdrawals; amendments.**
Modifies application withdrawals for inspection of seed potatoes and allows growers to amend applications.
- 30 **Use of certain terms forbidden; exceptions.**
Makes conforming changes for sections 33–35.
- 31 **Minimum standards for planting.**
Modifies minimum standards for planting potatoes.
- 32 **Restriction.**
Allows potatoes to be planted in a restricted seed potato growing area under certain circumstances. Requires that potatoes grown in a restricted potato growing area that do not meet certification standards not be labeled or sold as certified seed potatoes unless the MDA determines there is an insufficient supply.
- 33 **Seed potato certification.**
Codifies regulations regarding seed potato certification inspection, eligibility, and production in Minnesota Rules, parts 1510.2315–1510.2325.
- 34 **Requirements for production of different classes of certified seed potatoes.**
Codifies regulations regarding requirements for production of different classes of certified seed potatoes in Minnesota Rules, part 1510.2330.
- 35 **Minnesota certified seed potato grades and tolerances.**
Codifies regulations regarding certified seed potato grades and tolerances in Minnesota Rules, part 1510.2355.
- 36 **Seed fee permits.**
Allows the MDA to determine reporting periods for seed fee permit holders’ semiannual reports.
- 37 **Principal mode of business.**
Modifies the definition of “principal mode of business” in the Licensing Food Handlers chapter to refer to only retail or wholesale food handlers, removing the reference to wholesale food processors and manufacturers and custom exempt food handlers.

Section Description - Article 2: Agriculture Statutory Changes

- 38 **Risk category.**
Adds new definition of “risk category” for section 44.
- 39 **Gross sales or service.**
Adds new definition of “gross sales or service” for section 46.
- 40 **Home food handler prepared food.**
Adds new definition of “home food handler prepared food” for section 42.
- 41 **License required; custom processing permit applications; renewals.**
Adds a nonrefundable application fee to food handler license applications. Adjusts time periods for issuing food handler licenses. Makes conforming changes.
- 42 **Food handlers; home food handler prepared food.**
Changes the food handler classes by adding a home food handler class and combining retail and wholesale classes.
- 43 **Extent of license.**
Makes conforming changes for the home food handler license. Allows certain home food handlers to conduct business at up to two additional locations.
- 44 **Issuance of license.**
Adds consideration for a food handler license applicant’s risk category as defined by section 38.
- 45 **Food handlers who manufacture, process, or distribute; licensing, preemption by state.**
Makes conforming changes.
- 46 **License fees; penalties.**
Modifies license fees for food handlers; allows MDA to adjust fees every five years for inflation.
- 47 **Violations; prohibited acts.**
Makes conforming changes.
- 48 **Transfer of business.**
Allows food handlers who operate more than one location to maintain their license if the licensee stops operating one location.

Section Description - Article 2: Agriculture Statutory Changes

- 49 **License renewal.**
Requires food handlers to be compliant with license conditions and fees before annual license renewal.
- 50 **Home food handlers; rulemaking.**
Allows MDA to promulgate regulations regarding home food handlers.
- 51 **Milk marketer.**
Adds definition of “milk marketer” to the Dairy Law chapter for purposes of the milk marketing license.
- 52 **Milk marketing license.**
Adds new milk marketing license. Requires milk marketers to obtain milk marketing license, pay license fees, and remain compliant with license conditions.
- 53 **State participation.**
Amends beginning farmer loans to require that loans be at least \$50,000.
- 54 **State participation.**
Amends RFA’s loan restructuring program to require that the state only participate in loans that are at least \$50,000.
- 55 **Participation limit; interest.**
Amends RFA’s seller-sponsored loans to require that loans be at least \$50,000.
- 56 **Loan participation.**
Amends RFA’s agricultural improvement loans to require that loans be at least \$50,000.
- 57 **Loan participation.**
Amends RFA’s livestock expansion and modernization loans to require that loans be at least \$50,000.
- 58 **Eligibility.**
Amends RFA’s disaster recovery loans to require that a borrower’s total net worth be less than \$5,000,000.
- 59 **Establishment.**
Amends RFA’s pilot agricultural microloan program to make it no longer a pilot program and to allow loans to finance the purchase of agricultural land.

Section Description - Article 2: Agriculture Statutory Changes

- 60 **Establishment.**
Amends the RFA’s farm opportunity loan program by removing the ability for these loans to go towards (1) adopting best management practices, and (2) reducing or improving management of agricultural inputs.
- 61 **Loan participation.**
Amends the RFA’s farm opportunity loan program to require that a borrower maintains a net worth less than \$1,700,000 adjusted for inflation for the period of the loan.
- 62 **Grain buyers and storage account; fees.**
Modifies grain buyer fee amounts and schedule.
- 63 **Fees; grain buyers and storage account.**
Modifies grain storage fees.
- 64 **Repealer.**
Repeals statutes and rules regarding seed potatoes.

Article 3: Broadband

This article appropriates money to the Office of Broadband under DEED.

Section Description - Article 3: Broadband

- 1 **Broadband development appropriations.**
Inserts boilerplate language regarding the appropriations format and terminology used in this article.
- 2 **Department of Employment and Economic Development.**
Appropriates general fund money to the Office of Broadband Development.



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