

1.1 moves to amend H.F. No. 2446 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 APPROPRIATIONS

1.5 Section 1. AGRICULTURE APPROPRIATIONS.

1.6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
1.7 and for the purposes specified in this article. The appropriations are from the general fund,
1.8 or another named fund, and are available for the fiscal years indicated for each purpose.

1.9 The figures "2026" and "2027" used in this article mean that the appropriations listed under
1.10 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.
1.11 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"
1.12 is fiscal years 2026 and 2027.

1.13		<u>APPROPRIATIONS</u>
1.14		<u>Available for the Year</u>
1.15		<u>Ending June 30</u>
1.16		<u>2026</u> <u>2027</u>

1.17 Sec. 2. DEPARTMENT OF AGRICULTURE

1.18 Subdivision 1. Total Appropriation **\$** **61,342,000** **\$** **58,358,000**

1.19 Appropriations by Fund

1.20		<u>2026</u>	<u>2027</u>
1.21	<u>General</u>	<u>60,943,000</u>	<u>57,959,000</u>
1.22	<u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

1.23 The amounts that may be spent for each
1.24 purpose are specified in the following
1.25 subdivisions. Notwithstanding Minnesota

2.1 Statutes, section 16B.98, subdivision 14,
 2.2 unless otherwise specified in this section, the
 2.3 commissioner of agriculture may use up to ten
 2.4 percent of money appropriated for costs
 2.5 incurred to administer the Department of
 2.6 Agriculture's grant programs.

2.7 **Subd. 2. Protection Services**

2.8 <u>Appropriations by Fund</u>		
2.9 <u>General</u>	<u>21,385,000</u>	<u>21,538,000</u>
2.10 <u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.11 (a) \$399,000 the first year and \$399,000 the
 2.12 second year are from the remediation fund for
 2.13 administrative funding of the voluntary
 2.14 cleanup program.

2.15 (b) \$319,000 the first year and \$319,000 the
 2.16 second year are for the soil health financial
 2.17 assistance program under Minnesota Statutes,
 2.18 section 17.134. The commissioner may award
 2.19 no more than \$50,000 of the appropriation
 2.20 each year to a single recipient.

2.21 Notwithstanding Minnesota Statutes, section
 2.22 16B.98, subdivision 14, the commissioner may
 2.23 use up to 6.5 percent of this appropriation for
 2.24 costs incurred to administer the program. Any
 2.25 unencumbered balance does not cancel at the
 2.26 end of the first year and is available in the
 2.27 second year. Appropriations encumbered
 2.28 under contract on or before June 30, 2027, for
 2.29 soil health financial assistance grants are
 2.30 available until June 30, 2029.

2.31 (c) \$293,000 the first year and \$293,000 the
 2.32 second year are for compensation for
 2.33 destroyed or crippled livestock under
 2.34 Minnesota Statutes, section 3.737. The first
 2.35 year appropriation may be spent to compensate

3.1 for livestock that were destroyed or crippled
3.2 during fiscal year 2025. If the amount in the
3.3 first year is insufficient, the amount in the
3.4 second year is available in the first year. The
3.5 commissioner may use up to \$5,000 each year
3.6 to reimburse expenses incurred by university
3.7 extension educators to provide fair market
3.8 values of destroyed or crippled livestock. If
3.9 the commissioner receives federal money to
3.10 pay claims for destroyed or crippled livestock,
3.11 an equivalent amount of this appropriation
3.12 may be used to reimburse nonlethal prevention
3.13 methods performed by federal wildlife services
3.14 staff.

3.15 (d) \$280,000 the first year and \$280,000 the
3.16 second year are for compensation for crop
3.17 damage under Minnesota Statutes, section
3.18 3.7371. If the amount in the first year is
3.19 insufficient, the amount in the second year is
3.20 available in the first year. The commissioner
3.21 may use up to \$10,000 of the appropriation
3.22 each year to reimburse expenses incurred by
3.23 the commissioner or the commissioner's
3.24 approved agent to investigate and resolve
3.25 claims, as well as for costs associated with
3.26 training for approved agents. The
3.27 commissioner may use up to \$40,000 of the
3.28 appropriation each year for grants to producers
3.29 for measures to protect stored crops from elk
3.30 damage. If the commissioner determines that
3.31 claims made under Minnesota Statutes, section
3.32 3.737 or 3.7371, are unusually high, amounts
3.33 appropriated for either program may be
3.34 transferred to the appropriation for the other
3.35 program.

4.1 (e) \$825,000 the first year and \$825,000 the
4.2 second year are to replace capital equipment
4.3 in the Department of Agriculture's analytical
4.4 laboratory.

4.5 (f) \$850,000 the first year and \$850,000 the
4.6 second year are for additional meat and poultry
4.7 inspection services. The commissioner is
4.8 encouraged to seek inspection waivers, match
4.9 federal money, and offer more online
4.10 inspections for the purposes of this paragraph.

4.11 (g) \$750,000 the first year and \$750,000 the
4.12 second year are for grants to counties to
4.13 support county agricultural inspectors. The
4.14 commissioner may use up to three percent of
4.15 the appropriation each year for administration.

4.16 County agricultural inspectors and
4.17 county-designated employees must annually
4.18 submit an application, on a form approved by
4.19 the commissioner to be eligible for funding
4.20 during a given year. The commissioner must
4.21 equally divide available grant money among
4.22 eligible counties. To be eligible for grants
4.23 under this section, a county must employ a
4.24 county agricultural inspector or a
4.25 county-designated employee who:

4.26 (1) has attended training for new county
4.27 agricultural inspectors offered by the
4.28 commissioner;

4.29 (2) coordinates with the commissioner to
4.30 review applicable laws and enforcement
4.31 procedures;

4.32 (3) compiles and submits to the commissioner
4.33 local weed inspector annual report data;

5.1 (4) conducts an annual meeting and training
5.2 for local weed inspectors; and

5.3 (5) assists the commissioner with control
5.4 programs and other agricultural programs
5.5 when requested under Minnesota Statutes,
5.6 section 18.81, subdivision 1b, as directed by
5.7 the county board.

5.8 (h) \$609,000 the first year and \$608,000 the
5.9 second year are appropriated to establish and
5.10 administer the biofertilizer innovation and
5.11 efficiency program under Minnesota Statutes,
5.12 section 18C.113. The commissioner may use
5.13 up to 6.5 percent of this appropriation for costs
5.14 incurred to administer the program.

5.15 Notwithstanding Minnesota Statutes, section
5.16 16A.28, any unencumbered balance at the end
5.17 of fiscal year 2026 does not cancel and is
5.18 available until June 30, 2027. The base for this
5.19 appropriation is \$1,050,000 in fiscal year 2028
5.20 and each year thereafter.

5.21 (i) \$100,000 the first year is to conduct a study
5.22 with the commissioner of the Pollution Control
5.23 Agency, the commissioner of health, the
5.24 Metropolitan Council, and a technical panel
5.25 of scientific experts on the impact of land
5.26 applied biosolids contaminated with poly-and
5.27 perfluoroalkyl substances (PFAS) on farm
5.28 families and consumers. The study should
5.29 include recommendations to the legislature
5.30 and be submitted to the chairs and ranking
5.31 minority members of the legislative
5.32 committees and divisions with jurisdiction
5.33 over agriculture policy and finance by June 1,
5.34 2027. The commissioner may contract with

6.1 an independent third party to conduct the
6.2 study.

6.3 (j) \$100,000 the first year is to conduct an
6.4 evaluation of the practice performance and
6.5 economic performance of the Olmsted County
6.6 groundwater protection and soil health
6.7 initiative, including the cover crop program,
6.8 alternative crops program, and haying,
6.9 grazing, and pasture enhancement program.

6.10 The evaluation must look at environmental
6.11 outcomes, include a cost-benefit analysis, and
6.12 be submitted to the chairs and ranking
6.13 minority members of the legislative
6.14 committees and divisions with jurisdiction
6.15 over agriculture policy and finance by June 1,
6.16 2027. The commissioner may contract with
6.17 an independent third party to conduct the
6.18 evaluation.

6.19 (k) \$150,000 the first year is to update and
6.20 modify the restricted use pesticide plan.

6.21 (l) \$420,000 the first year and \$924,000 the
6.22 second year are to support current services.

6.23 **Subd. 3. Agricultural Marketing and**
6.24 **Development**

24,529,000

24,526,000

6.25 (a) \$634,000 the first year and \$634,000 the
6.26 second year are for the continuation of the
6.27 dairy development and profitability
6.28 enhancement program, including dairy
6.29 profitability teams and dairy business planning
6.30 grants under Minnesota Statutes, section
6.31 32D.30.

6.32 (b) The commissioner may use funds
6.33 appropriated in this subdivision for annual
6.34 cost-share payments to resident farmers or

7.1 entities that sell, process, or package
7.2 agricultural products in this state for the costs
7.3 of organic certification. The commissioner
7.4 may allocate these funds for assistance to
7.5 persons transitioning from conventional to
7.6 organic agriculture.

7.7 (c) \$100,000 the first year and \$100,000 the
7.8 second year are for mental health outreach and
7.9 support to farmers, ranchers, farm workers
7.10 and employees, and others in the agricultural
7.11 profession and for farm and farm worker
7.12 safety grant and outreach programs under
7.13 Minnesota Statutes, section 17.1195. Mental
7.14 health outreach and support may include a
7.15 24-hour hotline, stigma reduction, and
7.16 education. Notwithstanding Minnesota
7.17 Statutes, section 16A.28, any unencumbered
7.18 balance does not cancel at the end of the first
7.19 year and is available in the second year.

7.20 (d) \$19,935,000 the first year and \$19,932,000
7.21 the second year are for the agricultural growth,
7.22 research, and innovation program under
7.23 Minnesota Statutes, section 41A.12.

7.24 (e) Except as provided in paragraph (f), the
7.25 commissioner may allocate the appropriation
7.26 in paragraph (d) each year among the
7.27 following areas: facilitating the startup,
7.28 modernization, improvement, or expansion of
7.29 livestock operations, including beginning and
7.30 transitioning livestock operations with
7.31 preference given to robotic dairy-milking
7.32 equipment; assisting value-added agricultural
7.33 businesses to begin or expand, to access new
7.34 markets, or to diversify, including aquaponics
7.35 systems, with preference given to hemp fiber

8.1 processing equipment; facilitating the startup,
8.2 modernization, or expansion of other
8.3 beginning and transitioning farms, including
8.4 by providing loans under Minnesota Statutes,
8.5 section 41B.056; sustainable agriculture
8.6 on-farm research and demonstration; the
8.7 development or expansion of food hubs and
8.8 other alternative community-based food
8.9 distribution systems; enhancing renewable
8.10 energy infrastructure and use; crop research,
8.11 including basic and applied turf seed research;
8.12 Farm Business Management tuition assistance;
8.13 and good agricultural practices and good
8.14 handling practices certification assistance.
8.15 Notwithstanding Minnesota Statutes, section
8.16 16B.98, subdivision 14, the commissioner may
8.17 use up to 6.5 percent of the appropriation in
8.18 paragraph (d) for costs incurred to administer
8.19 the program.

8.20 (f) Of the amount appropriated for the
8.21 agricultural growth, research, and innovation
8.22 program under Minnesota Statutes, section
8.23 41A.12:

8.24 (1) \$1,000,000 the first year and \$1,000,000
8.25 the second year are for distribution in equal
8.26 amounts to each of the state's county fairs to
8.27 preserve and promote Minnesota agriculture;

8.28 (2) \$3,000,000 the first year and \$3,000,000
8.29 the second year are for incentive payments
8.30 under Minnesota Statutes, sections 41A.16,
8.31 41A.17, 41A.18, and 41A.20. If this
8.32 appropriation exceeds the total amount for
8.33 which all producers are eligible in a fiscal
8.34 year, the balance of the appropriation is

9.1 available for other purposes under this
9.2 paragraph;
9.3 (3) \$3,000,000 the first year and \$3,000,000
9.4 the second year are for grants that enable retail
9.5 petroleum dispensers, fuel storage tanks, and
9.6 other equipment to dispense biofuels to the
9.7 public in accordance with the biofuel
9.8 replacement goals established under
9.9 Minnesota Statutes, section 239.7911. A retail
9.10 petroleum dispenser selling petroleum for use
9.11 in spark ignition engines for vehicle model
9.12 years after 2000 is eligible for grant money
9.13 under this clause if the retail petroleum
9.14 dispenser has no more than 20 retail petroleum
9.15 dispensing sites and each site is located in
9.16 Minnesota. The grant money must be used to
9.17 replace or upgrade equipment that does not
9.18 have the ability to be certified for E25. A grant
9.19 award must not exceed 65 percent of the cost
9.20 of the appropriate technology. A grant award
9.21 must not exceed \$200,000 per station. The
9.22 commissioner must cooperate with biofuel
9.23 stakeholders in the implementation of the grant
9.24 program. The commissioner, in cooperation
9.25 with any economic or community development
9.26 financial institution and any other entity with
9.27 which the commissioner contracts, must
9.28 submit a report on the biofuels infrastructure
9.29 financial assistance program by January 15
9.30 each year to the chairs and ranking minority
9.31 members of the legislative committees and
9.32 divisions with jurisdiction over agriculture
9.33 policy and finance. The annual report must
9.34 include but not be limited to a summary of the
9.35 following metrics: (i) the number and types
9.36 of projects financed; (ii) the amount of dollars

10.1 leveraged or matched per project; (iii) the
10.2 geographic distribution of financed projects;
10.3 (iv) any market expansion associated with
10.4 upgraded infrastructure; (v) the demographics
10.5 of the areas served; (vi) the costs of the
10.6 program; and (vii) the number of grants to
10.7 minority-owned or female-owned businesses;
10.8 (4) \$250,000 the first year and \$250,000 the
10.9 second year are for grants to facilitate the
10.10 startup, modernization, or expansion of meat,
10.11 poultry, egg, and milk processing facilities. A
10.12 grant award under this clause must not exceed
10.13 \$200,000;
10.14 (5) \$2,294,000 the first year and \$2,294,000
10.15 the second year are for providing more fruits,
10.16 vegetables, meat, poultry, grain, and dairy for
10.17 children in school and early childhood
10.18 education settings, including, at the
10.19 commissioner's discretion, providing grants
10.20 to reimburse schools and early childhood
10.21 education and child care providers for
10.22 purchasing equipment and agricultural
10.23 products. Of the amount appropriated,
10.24 \$150,000 each year is for a statewide
10.25 coordinator of farm-to-institution strategy and
10.26 programming. The coordinator must consult
10.27 with relevant stakeholders and provide
10.28 technical assistance and training for
10.29 participating farmers and eligible grant
10.30 recipients;
10.31 (6) \$2,000,000 the first year and \$2,000,000
10.32 the second year are for grants to facilitate the
10.33 development of urban agriculture, including
10.34 projects related to youth education, community

11.1 and economic development, value-added
11.2 processing, and vocational training;
11.3 (7) \$1,000,000 the first year and \$1,000,000
11.4 the second year are for the good food access
11.5 program under Minnesota Statutes, section
11.6 17.1017;
11.7 (8) \$200,000 the first year and \$200,000 the
11.8 second year are for cooperative development
11.9 grants under Minnesota Statutes, section
11.10 17.1016;
11.11 (9) \$425,000 the first year and \$425,000 the
11.12 second year are to award grants under the
11.13 AGRI works program. Agriculture-related
11.14 institutions and nonprofits may apply for
11.15 grants up to \$20,000. Grantees must submit
11.16 their most recent tax documents and complete
11.17 an application in the form and manner
11.18 prescribed by the commissioner to be eligible
11.19 for grants under this appropriation. The base
11.20 for this clause is \$366,000 in fiscal year 2028
11.21 and each year thereafter;
11.22 (10) \$928,000 the first year and \$925,000 the
11.23 second year are to award grants under the
11.24 AGRI support program. Agriculture-related
11.25 institutions and nonprofits may apply for
11.26 grants over \$20,000 but not more than
11.27 \$200,000. Grantees must submit their most
11.28 recent tax documents and complete an
11.29 application in the form and manner prescribed
11.30 by the commissioner to be eligible for grants
11.31 under this appropriation. If the commissioner
11.32 determines that application demand for AGRI
11.33 works or AGRI support are unusually high,
11.34 amounts appropriated for either program may
11.35 be transferred to the appropriation for the other

12.1 program. The base for this clause is \$865,000
12.2 in fiscal year 2028 and each year thereafter;
12.3 and
12.4 (11) \$225,000 the first year and \$225,000
12.5 second year are for the protecting livestock
12.6 grant program for producers to support the
12.7 installation of measures to prevent the
12.8 transmission of avian influenza. For the
12.9 appropriation in this paragraph, a grant
12.10 applicant must document a cost-share of 20
12.11 percent. An applicant's cost-share amount may
12.12 be reduced up to \$2,000 to cover time and
12.13 labor costs. Notwithstanding Minnesota
12.14 Statutes, section 16B.98, subdivision 14, the
12.15 commissioner may use up to 6.5 percent of
12.16 this appropriation for administrative costs.
12.17 This appropriation is available until June 30,
12.18 2028. Notwithstanding Minnesota Statutes,
12.19 section 16A.28, this appropriation does not
12.20 cancel at the end of the second year and is
12.21 available until June 30, 2027. Appropriations
12.22 encumbered under contract on or before June
12.23 30, 2027, for agricultural growth, research,
12.24 and innovation grants are available until June
12.25 30, 2031.
12.26 (g) Notwithstanding Minnesota Statutes,
12.27 section 16A.28, the appropriation in paragraph
12.28 (d) does not cancel at the end of the second
12.29 year and is available until June 30, 2029.
12.30 Appropriations encumbered under contract on
12.31 or before June 30, 2029, for agricultural
12.32 growth, research, and innovation grants are
12.33 available until June 30, 2032.
12.34 (h) The base for the agricultural growth,
12.35 research, and innovation program is

13.1 \$20,038,000 in fiscal year 2028 and each year
 13.2 thereafter.

13.3 **Subd. 4. Administration and Financial**
 13.4 **Assistance**

15,029,000

11,895,000

13.5 (a) \$474,000 the first year and \$474,000 the
 13.6 second year are for payments to county and
 13.7 district agricultural societies and associations
 13.8 under Minnesota Statutes, section 38.02,
 13.9 subdivision 1. Aid payments to county and
 13.10 district agricultural societies and associations
 13.11 must be disbursed no later than July 15 each
 13.12 year. These payments are the amount of aid
 13.13 from the state for an annual fair held in the
 13.14 previous calendar year.

13.15 (b) \$400,000 the first year and \$400,000 the
 13.16 second year are for grants to the Minnesota
 13.17 Agricultural Education and Leadership
 13.18 Council for programs of the council under
 13.19 Minnesota Statutes, chapter 41D.

13.20 (c) \$1,050,000 the first year and \$1,050,000
 13.21 the second year are to award and administer
 13.22 farm down payment assistance grants under
 13.23 Minnesota Statutes, section 17.133, with
 13.24 priority given to eligible applicants with no
 13.25 more than \$100,000 in annual gross farm
 13.26 product sales and eligible applicants who are
 13.27 producers of industrial hemp, cannabis, or one
 13.28 or more of the following specialty crops as
 13.29 defined by the United States Department of
 13.30 Agriculture for purposes of the specialty crop
 13.31 block grant program: fruits and vegetables,
 13.32 tree nuts, dried fruits, medicinal plants,
 13.33 culinary herbs and spices, horticulture crops,
 13.34 floriculture crops, and nursery crops.
 13.35 Notwithstanding Minnesota Statutes, section

14.1 16A.28, any unencumbered balance at the end
14.2 of the first year does not cancel and is
14.3 available in the second year and appropriations
14.4 encumbered under contract by June 30, 2027,
14.5 are available until June 30, 2029. The base for
14.6 this appropriation is \$1,400,000 in fiscal year
14.7 2028 and each year thereafter.

14.8 (d) \$850,000 the first year and \$850,000 the
14.9 second year are for the purchase of milk for
14.10 distribution to Minnesota's food shelves and
14.11 other charitable organizations that are eligible
14.12 to receive food from the food banks. Milk
14.13 purchased under the grants must be acquired
14.14 from Minnesota milk processors and based on
14.15 low-cost bids. The milk must be allocated to
14.16 each Feeding America food bank serving
14.17 Minnesota according to the formula used in
14.18 the distribution of United States Department
14.19 of Agriculture commodities under The
14.20 Emergency Food Assistance Program. The
14.21 commissioner may enter into contracts or
14.22 agreements with food banks for shared funding
14.23 or reimbursement of the direct purchase of
14.24 milk. Each food bank that receives funding
14.25 under this clause may use up to two percent
14.26 for administrative expenses. Notwithstanding
14.27 Minnesota Statutes, section 16A.28, any
14.28 unencumbered balance the first year does not
14.29 cancel and is available the second year.

14.30 (e) \$260,000 the first year and \$260,000 the
14.31 second year are for a pass-through grant to
14.32 Region Five Development Commission to
14.33 provide, in collaboration with Farm Business
14.34 Management, statewide mental health
14.35 counseling support to Minnesota farm

15.1 operators, families, and employees, and
15.2 individuals who work with Minnesota farmers
15.3 in a professional capacity. Region Five
15.4 Development Commission may use up to 6.5
15.5 percent of the grant awarded under this
15.6 paragraph for administration.

15.7 (f) \$1,000,000 the first year and \$1,000,000
15.8 the second year are to expand the Emerging
15.9 Farmers Office and provide services to
15.10 beginning and emerging farmers to increase
15.11 connections between farmers and market
15.12 opportunities throughout the state. This
15.13 appropriation may be used for grants,
15.14 translation services, training programs, or
15.15 other purposes in line with the
15.16 recommendations of the emerging farmer
15.17 working group established under Minnesota
15.18 Statutes, section 17.055, subdivision 1.

15.19 (g) \$137,000 the first year and \$203,000 the
15.20 second year are to support current services.

15.21 (h) \$337,000 the first year and \$337,000 the
15.22 second year are for farm advocate services.

15.23 Of these amounts, \$50,000 the first year and
15.24 \$50,000 the second year are for the
15.25 continuation of the farmland transition
15.26 programs and may be used for grants to
15.27 farmland access teams to provide technical
15.28 assistance to potential beginning farmers.

15.29 Farmland access teams must assist existing
15.30 farmers and beginning farmers with
15.31 transitioning farm ownership and farm
15.32 operation. Services provided by teams may
15.33 include but are not limited to mediation
15.34 assistance, designing contracts, financial

16.1 planning, tax preparation, estate planning, and
16.2 housing assistance.

16.3 (i) \$3,100,000 the first year is for a grant to
16.4 First District Association for a wastewater
16.5 treatment project.

16.6 (j) \$1,000,000 the first year and \$1,000,000
16.7 the second year are to award grants to eligible
16.8 applicants for participation in the local food
16.9 purchasing assistance grant program. Selected
16.10 applicants must use grant money to procure
16.11 and distribute food to communities. Eligible
16.12 applicants include but are not limited to
16.13 individuals, nonprofit organizations, for-profit
16.14 businesses, Tribal governments, government
16.15 entities, agricultural cooperatives, economic
16.16 development organizations, and educational
16.17 institutions. When awarding grants, the
16.18 commissioner must give preference to
16.19 applicants that:

16.20 (1) source 100 percent of food from
16.21 Minnesota;

16.22 (2) source at least 70 percent of food from
16.23 farmers who are experiencing limited land
16.24 access or limited market access as defined in
16.25 Minnesota Statutes, section 17.133,
16.26 subdivision 1; and

16.27 (3) distribute food at no cost to communities
16.28 that have low supermarket access in
16.29 census-designated food deserts or low- or
16.30 moderate-income areas with substantial
16.31 subpopulations, such as the aging population
16.32 or people with disabilities.

16.33 (k) \$100,000 the first year is to be awarded as
16.34 a grant to an entity that is not a for-profit entity

17.1 to conduct a study of market and workforce
 17.2 factors that may contribute to the incorrect
 17.3 marking for the installation of underground
 17.4 telecommunications infrastructure that is
 17.5 located within ten feet of existing underground
 17.6 utilities or that crosses the existing
 17.7 underground utilities. The study should
 17.8 include recommendations to the legislature
 17.9 and be submitted to the chairs and ranking
 17.10 minority members of the legislative
 17.11 committees and divisions with jurisdiction
 17.12 over agriculture policy and finance by June 1,
 17.13 2027.

17.14 (l) The commissioner shall continue to
 17.15 increase connections with ethnic minority and
 17.16 immigrant farmers to farming opportunities
 17.17 and farming programs throughout the state.

17.18	Sec. 3. <u>BOARD OF ANIMAL HEALTH</u>	<u>\$</u>	<u>6,767,000</u>	<u>\$</u>	<u>6,767,000</u>
17.19	<u>\$357,000 the first year and \$357,000 the</u>				
17.20	<u>second year are to maintain the current level</u>				
17.21	<u>of service delivery.</u>				

17.22	Sec. 4. <u>AGRICULTURAL UTILIZATION</u>				
17.23	<u>RESEARCH INSTITUTE</u>	<u>\$</u>	<u>4,388,000</u>	<u>\$</u>	<u>4,434,000</u>
17.24	<u>\$45,000 the first year and \$91,000 the second</u>				
17.25	<u>year are to maintain the current level of service</u>				
17.26	<u>delivery.</u>				

17.27 Sec. 5. **TRANSFERS.**

17.28 (a) \$4,000,000 in fiscal year 2026 is transferred from the general fund to the agricultural
 17.29 emergency account established under Minnesota Statutes, section 17.041.

17.30 (b) Of the amount transferred to the agricultural emergency account under Minnesota
 17.31 Statutes, section 17.041, up to \$2,000,000 may be used for the following:

17.32 (1) to test milk, milk products, poultry products, and pet food before retail sale for the
 17.33 presence of avian influenza;

18.1 (2) to transfer funds to the commissioner of health for biomonitoring for the presence
18.2 of avian influenza for agricultural workers, farm workers, and poultry or livestock processing
18.3 employees that volunteer to participate; and

18.4 (3) to transfer funds to the Board of Regents of the University of Minnesota to develop
18.5 rapid testing, quantification, and human exposure risk assessment models for avian influenza
18.6 in urban wastewater and drinking water treatment processes and public and private wells.

18.7 Prior to utilizing or transferring money under this paragraph the commissioner must
18.8 communicate the intended usage and the estimated amount of the money to the chairs and
18.9 ranking minority members of the house and senate committees with jurisdiction over
18.10 agriculture finance.

18.11 (c) \$153,000 in fiscal year 2026 and \$100,000 in fiscal year 2027 are transferred from
18.12 the general fund to the pollinator research account established under Minnesota Statutes,
18.13 section 18B.051. This transfer is \$100,000 in fiscal year 2028 and each year thereafter.

18.14 (d) \$186,000 in fiscal year 2026 and \$186,000 in fiscal year 2027 are transferred from
18.15 the general fund to the Minnesota grown account and may be used as grants for Minnesota
18.16 Grown promotion under Minnesota Statutes, section 17.102. Notwithstanding Minnesota
18.17 Statutes, section 16A.28, the appropriations encumbered under contract on or before June
18.18 30, 2027, for Minnesota Grown grants in this paragraph are available until June 30, 2029.
18.19 This transfer is \$186,000 in fiscal year 2028 and each year thereafter.

18.20 (e) \$10,699,000 in fiscal year 2026 and \$10,352,000 in fiscal year 2027 are transferred
18.21 from the general fund to the agriculture research, education, extension, and technology
18.22 transfer account under Minnesota Statutes, section 41A.14, subdivision 3, and the
18.23 commissioner shall transfer funds each year to the Board of Regents of the University of
18.24 Minnesota for purposes of Minnesota Statutes, section 41A.14, subdivision 1, clauses (1)
18.25 and (2), and must supplement and not supplant existing sources and levels of funding. The
18.26 commissioner may use up to one percent of this transfer for costs incurred to administer
18.27 this program.

18.28 (f) Of the amount transferred for the agriculture research, education, extension, and
18.29 technology transfer grant program under Minnesota Statutes, section 41A.14:

18.30 (1) \$600,000 in fiscal year 2026 and \$600,000 in fiscal year 2027 are for the Minnesota
18.31 Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes,
18.32 section 41A.14, subdivision 1, clause (2);

19.1 (2) up to \$1,000,000 in fiscal year 2026 and up to \$1,000,000 in fiscal year 2027 are for
19.2 research on avian influenza, salmonella, and other turkey-related diseases and disease
19.3 prevention measures;

19.4 (3) \$2,250,000 in fiscal year 2026 and \$2,250,000 in fiscal year 2027 are for grants to
19.5 the Minnesota Agricultural Educational Leadership Council to enhance agricultural education
19.6 with priority given to Farm Business Management challenge grants. The transfer is
19.7 \$3,000,000 in fiscal year 2028 and each year thereafter;

19.8 (4) \$350,000 in fiscal year 2026 and \$350,000 in fiscal year 2027 are for potato research;

19.9 (5) \$802,000 in fiscal year 2026 and \$802,000 in fiscal year 2027 are to fund the Forever
19.10 Green Initiative and protect Minnesota's natural resources while increasing the efficiency,
19.11 profitability, and productivity of Minnesota farmers by incorporating perennial and winter
19.12 annual crops into existing agricultural practices. By February 1 each year, the dean of the
19.13 College of Food, Agricultural, and Natural Resources Sciences must submit a report to the
19.14 chairs and ranking minority members of the legislative committees with jurisdiction over
19.15 agriculture finance and policy and higher education detailing uses of the money in this
19.16 paragraph, including administrative costs, and the achievements this money contributed to;

19.17 (6) \$200,000 in fiscal year 2026 and \$200,000 in fiscal year 2027 are for research on
19.18 natural stands of wild rice;

19.19 (7) \$250,000 in fiscal year 2026 and \$250,000 in fiscal year 2027 are for the cultivated
19.20 wild rice forward selection project at the North Central Research and Outreach Center,
19.21 including a tenure track or research associate plant scientist; and

19.22 (8) \$347,000 in fiscal year 2026 is for the Board of Regents of the University of
19.23 Minnesota for purposes of research on crop contamination and exposure to prions deposited
19.24 by animals infected with chronic wasting disease.

19.25 The transfer for the agricultural research, education, extension, and technology transfer
19.26 program is \$11,373,000 in fiscal year 2028 and each year thereafter.

19.27 (g) \$250,000 in fiscal year 2026 and \$250,000 in fiscal year 2027 are transferred to the
19.28 Board of Regents of the University of Minnesota to evaluate, propagate, and maintain the
19.29 genetic diversity of oilseeds, grains, grasses, legumes, and other plants including flax,
19.30 timothy, barley, rye, triticale, alfalfa, orchard grass, clover, and other species and varieties
19.31 that were in commercial distribution and use in Minnesota prior to 1970, excluding wild
19.32 rice. This money must also be used to protect traditional seeds brought to Minnesota by
19.33 immigrant communities. This transfer includes funding for associated extension and outreach

20.1 to small farmers and farmers who are Black, Indigenous, and People of Color. This transfer
 20.2 is \$250,000 in fiscal year 2028 and each year thereafter.

20.3 (h) \$1,425,000 in fiscal year 2026 and \$1,425,000 in fiscal year 2027 are transferred
 20.4 from the general fund to the agricultural and environmental revolving loan account
 20.5 established under Minnesota Statutes, section 17.117, subdivision 5, for low-interest loans
 20.6 under Minnesota Statutes, section 17.117. This transfer is \$1,425,000 in fiscal year 2028
 20.7 and each year thereafter.

20.8 **Sec. 6. CANCELLATIONS.**

20.9 (a) \$3,000,000 of the appropriation in fiscal year 2024 from the general fund for green
 20.10 fertilizer production facilities under Laws 2023, chapter 60, article 10, section 4, is canceled
 20.11 to the general fund by June 30, 2025.

20.12 (b) \$500,000 of the fiscal year 2025 general fund appropriation for the agricultural
 20.13 growth, research, and innovation program under Minnesota Statutes, section 41A.12, that
 20.14 was allocated for Dairy Assistance, Investment, Relief Initiative (DAIRI) grants under Laws
 20.15 2024, chapter 126, article 1, section 1, subdivision 4, paragraph (d), clause (6), is canceled
 20.16 to the general fund by June 30, 2025.

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

20.18 **ARTICLE 2**

20.19 **AGRICULTURE STATUTORY CHANGES**

20.20 **Section 1.** Minnesota Statutes 2024, section 17.133, subdivision 2, is amended to read:

20.21 **Subd. 2. Grants.** The commissioner may award farm down payment assistance grants
 20.22 of up to ~~\$15,000~~ \$20,000 per eligible farmer. Each award must be matched with at least
 20.23 \$8,000 of other funding. Grants under this subdivision may be awarded by a randomized
 20.24 selection process after applications are collected over a period of no less than 30 calendar
 20.25 days. An eligible farmer must commit to own and farm the land purchased with assistance
 20.26 provided under this section for at least five years. For each year that a grant recipient does
 20.27 not own and farm the land during the five-year period, the grant recipient must pay a penalty
 20.28 to the commissioner equal to 20 percent of the grant amount.

20.29 **Sec. 2.** Minnesota Statutes 2024, section 18B.01, subdivision 1d, is amended to read:

20.30 **Subd. 1d. Application or use of a pesticide.** "Application or use of a pesticide" includes:

20.31 (1) the dispersal of a pesticide on, in, at, or directed toward a target site; and

21.1 ~~(2) preapplication activities that involve the mixing and loading of a restricted use~~
 21.2 ~~pesticide; and~~

21.3 ~~(3)~~ (2) other restricted use pesticide-related activities, including but not limited to
 21.4 transporting or storing pesticide containers that have been opened; mixing; loading; cleaning
 21.5 equipment; and disposing of excess pesticides, spray mix, equipment wash waters, pesticide
 21.6 containers, and other materials that contain pesticide.

21.7 Sec. 3. Minnesota Statutes 2024, section 18B.01, is amended by adding a subdivision to
 21.8 read:

21.9 Subd. 10c. **Handler.** "Handler" means an individual who meets all the requirements for
 21.10 noncertified applicator specified in Code of Federal Regulations, title 40, section 171.201,
 21.11 and engages in preapplication activities that involve the mixing, loading, and transporting
 21.12 of a restricted use pesticide under the supervision of a licensed pesticide applicator.

21.13 Sec. 4. Minnesota Statutes 2024, section 18B.30, is amended to read:

21.14 **18B.30 PESTICIDE USE LICENSE REQUIREMENT; INTERNET SALES**
 21.15 **PROHIBITED; RESTRICTED USE PESTICIDES.**

21.16 (a) A person may not use a restricted use pesticide without a license or certification
 21.17 required under sections 18B.29 to 18B.35 and the use may only be done under conditions
 21.18 prescribed by the commissioner, except that a handler may engage in preapplication activities
 21.19 that involve the mixing, loading, and transporting of a restricted use pesticide under the
 21.20 supervision of a licensed pesticide applicator.

21.21 (b) A person shall not sell any pesticide labeled for restricted use over an Internet website
 21.22 to a Minnesota resident who is not a licensed or certified pesticide applicator. A person
 21.23 selling a pesticide labeled for restricted use over an Internet website to a Minnesota resident
 21.24 must verify that the purchaser is a licensed or certified pesticide applicator under sections
 21.25 18B.29 to 18B.35.

21.26 Sec. 5. **[18C.113] BIOFERTILIZER INNOVATION AND EFFICIENCY PROGRAM.**

21.27 Subdivision 1. **Program established.** In consultation with the commissioner of natural
 21.28 resources and soil and water conservation districts in Minnesota, the commissioner of
 21.29 agriculture must develop and administer a biofertilizer innovation and efficiency program
 21.30 to address water quality by incentivizing Minnesota farmers to improve nitrogen management
 21.31 and incorporate innovative technologies into the farmers' crop nutrient management plans.
 21.32 The commissioner must determine which products qualify for the program, including soil

22.1 amendments, fertilizers with nitrogen fixing properties, biological sources of nitrogen, and
22.2 other biofertilizers.

22.3 Subd. 2. **Payments to qualified farmers.** (a) In consultation with farmers and the
22.4 fertilizer industry, the commissioner must establish a per-acre payment rate, not less than
22.5 \$5 per acre, for payments provided to a qualifying farmer. The program must provide an
22.6 annual per-acre incentive payment to a qualifying farmer who verifies through documentation
22.7 that the farmer has reduced commercial nitrogen fertilizer rates by using a qualifying product
22.8 in the farmer's crop nutrient management plans by the lesser of:

22.9 (1) 15 percent; or

22.10 (2) 30 pounds per acre.

22.11 (b) The Department of Agriculture must annually review and may adjust the per-acre
22.12 payment rate based on inflation and emerging fertilizer technology.

22.13 Subd. 3. **Qualifications.** To qualify for the biofertilizer water preservation program, a
22.14 farmer must:

22.15 (1) be a Minnesota resident operating farmland located in Minnesota;

22.16 (2) submit documentation to the commissioner, including a crop nutrient management
22.17 plan that will reduce the use of commercial nitrogen fertilizers at the reduction rate required
22.18 under subdivision 2 by using a qualifying product determined by the commissioner under
22.19 subdivision 1; and

22.20 (3) enroll a minimum of 40 eligible acres.

22.21 Subd. 4. **Review required.** Every two years, the commissioner must review:

22.22 (1) the program's required minimum commercial nitrogen fertilizer reduction rate under
22.23 subdivision 2 and determine whether an increase in the minimum reduction rate is necessary;
22.24 and

22.25 (2) additional qualifying products that may be used by farmers in the program. When
22.26 making this determination, the commissioner must consider newly available technologies
22.27 and products capable of reducing commercial nitrogen fertilizer applications.

22.28 Subd. 5. **Rulemaking required.** The commissioner must adopt rules using rulemaking
22.29 authority under section 18C.121, subdivision 1, to implement this section.

22.30 Subd. 6. **Program study.** The commissioner must conduct an evaluation of the practice
22.31 performance and economic performance of the biofertilizer innovation and efficiency
22.32 program. The evaluation must look at environmental outcomes, include a cost-benefit

23.1 analysis, and be submitted to the chairs and ranking minority members of the legislative
 23.2 committees and divisions with jurisdiction over agriculture policy and finance by June 1,
 23.3 2027. The commissioner may contract with an independent third party to conduct the
 23.4 evaluation.

23.5 **ARTICLE 3**

23.6 **BROADBAND**

23.7 Section 1. **BROADBAND DEVELOPMENT APPROPRIATIONS.**

23.8 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 23.9 and for the purposes specified in this article. The appropriations are from the general fund,
 23.10 or another named fund, and are available for the fiscal years indicated for each purpose.
 23.11 The figures "2026" and "2027" used in this article mean that the appropriations listed under
 23.12 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.
 23.13 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"
 23.14 is fiscal years 2026 and 2027.

23.15 **APPROPRIATIONS**

23.16 **Available for the Year**

23.17 **Ending June 30**

23.18 **2026**

2027

23.19 **Sec. 2. DEPARTMENT OF EMPLOYMENT**
 23.20 **AND ECONOMIC DEVELOPMENT**

\$

1,001,000

\$

1,001,000

23.21 \$1,001,000 each year is for the Office of
 23.22 Broadband Development."

23.23 Delete the title and insert:

23.24 "A bill for an act

23.25 relating to state government; establishing a budget for the Department of
 23.26 Agriculture, the Board of Animal Health, the Agricultural Utilization Research
 23.27 Institute, and the Office of Broadband Development; making policy and technical
 23.28 changes to agricultural provisions; requiring reports; transferring money;
 23.29 appropriating money; amending Minnesota Statutes 2024, sections 17.133,
 23.30 subdivision 2; 18B.01, subdivision 1d, by adding a subdivision; 18B.30; proposing
 23.31 coding for new law in Minnesota Statutes, chapter 18C."