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**CHAPTER 101--H.F.No. 4490**

An act relating to agriculture; providing supplemental agriculture-related appropriations for various agriculture-related purposes including appropriations for COVID-19 response efforts, farm and rural mental health services, farmers assistance, farm advocate services, farm safety, veterinary diagnostic equipment, farm loan origination fee assistance, meat and poultry processing, and retail food handler safety; providing farm safety grant and outreach programs; modifying an appropriation; making technical changes; amending Minnesota Statutes 2018, section 31.175; Laws 2019, First Special Session chapter 1, article 1, section 2, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Section 1. **[17.1195] FARM SAFETY GRANT AND OUTREACH PROGRAMS.**

Subdivision 1. **Tractor rollover grants.** (a) The commissioner may award grants to Minnesota farmers and Minnesota schools that retrofit eligible tractors with eligible rollover protective structures.

(b) Grants for farmers are limited to 70 percent of the farmer's documented cost to purchase, ship, and install an eligible rollover protective structure. The commissioner must increase a farmer's grant award amount over the 70 percent grant limitation requirement if necessary to limit a farmer's cost per tractor to no more than $500.

(c) Schools are eligible for grants that cover the full amount of a school's documented cost to purchase, ship, and install an eligible rollover protective structure.

(d) A rollover protective structure is eligible if it is certified to appropriate national or international rollover protection structure standards with a seat belt.

(e) "Eligible tractor" means a tractor that was built before 1987.

Subd. 2. **Grain storage facility safety grants; farm safety outreach.** (a) The commissioner may award grants to Minnesota farmers who purchase eligible grain storage facility safety equipment. Grants are limited to 75 percent of the farmer's documented cost to purchase, ship, and install grain storage facility safety equipment, or $400 per bin or silo, whichever is less. A farm entity may not receive more than one grant each fiscal year.

(b) Eligible grain storage facility safety equipment includes:

(1) fall protection systems;

(2) engineering controls to prevent contact with an auger or other moving parts;

(3) dust collection systems to minimize explosion hazards;

(4) personal protective equipment to increase survivability in the event of a grain-bin-related emergency;

(5) grain silo air quality monitoring equipment; and

(6) other grain storage facility safety equipment approved by the commissioner.

(c) The commissioner may create a farm safety outreach campaign, including but not limited to development and distribution of safety educational materials related to grain bins, silos, and other agricultural confined spaces.

Subd. 3. **Promotion; administration.** The commissioner may spend up to six percent of total program dollars each fiscal year to promote and administer the programs to Minnesota farmers and schools.

Sec. 2. Minnesota Statutes 2018, section 31.175, is amended to read:

**31.175 WATER, PLUMBING, AND SEWAGE.** A person who is required by statutes administered by the Department of Agriculture, or by rules adopted pursuant to those statutes, to provide a suitable water supply, or plumbing or sewage disposal system shall not engage in the business of manufacturing, processing, selling, handling, or storing food at wholesale or retail unless the person's water supply is satisfactory pursuant to rules adopted by the Department of Health, the person's plumbing is satisfactory pursuant to rules adopted by the Department of Labor and Industry, and the person's sewage disposal system satisfies the rules of the Pollution Control Agency.This section does not limit the commissioner's ability to issue a food handler's license when an investigation completed pursuant to section 28A.07 has determined the requirements of this section are not relevant and the applicant is considered fit to engage in business as described in the license application.

Sec. 3. Laws 2019, First Special Session chapter 1, article 1, section 2, subdivision 4, is amended to read:

Subd. 4. **Agriculture, Bioenergy, and Bioproduct Advancement** 23,653,000 ~~23,654,000~~ 23,554,000

(a) $9,300,000 the first year and ~~$9,300,000~~ $9,200,000 the second year are for transfer to the agriculture research, education, extension, and technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3. Of these amounts: at least $600,000 the first year and $600,000 the second year are for the Minnesota Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes, section 41A.14, subdivision 1, clause (2); $2,000,000 the first year and $2,000,000 the second year are for grants to the Minnesota Agriculture Education Leadership Council to enhance agricultural education with priority given to Farm Business Management challenge grants; $350,000 the first year and $350,000 the second year are for potato breeding; and $450,000 the first year and $450,000 the second year are for the cultivated wild rice breeding project at the North Central Research and Outreach Center to include a tenure track/research associate plant breeder. The commissioner shall transfer the remaining funds in this appropriation each year to the Board of Regents of the University of Minnesota for purposes of Minnesota Statutes, section 41A.14. Of the amount transferred to the Board of Regents,$675,000 in fiscal year 2021 only is for testing equipment and supplies for the Veterinary Diagnostic Laboratory, and up to $1,000,000 each year is for research on avian influenza, salmonella, and other turkey-related diseases.

To the extent practicable, money expended under Minnesota Statutes, section 41A.14, subdivision 1, clauses (1) and (2), must supplement and not supplant existing sources and levels of funding. The commissioner may use up to one percent of this appropriation for costs incurred to administer the program.The base amount for agriculture research, education, extension, and technology transfer for fiscal year 2022 and later is $9,300,000.

(b) $14,353,000 the first year and $14,354,000 the second year are for the agricultural growth, research, and innovation program in Minnesota Statutes, section 41A.12. Except as provided below, the commissioner may allocate the appropriation each year among the following areas: facilitating the start-up, modernization, improvement, or expansion of livestock operations including beginning and transitioning livestock operations with preference given to robotic dairy-milking equipment; providing funding not to exceed $400,000 each year to develop and enhance farm-to-school markets for Minnesota farmers by providing more fruits, vegetables, meat, grain, and dairy for Minnesota children in school and child care settings including, at the commissioner's discretion, reimbursing schools for purchases from local farmers; assisting value-added agricultural businesses to begin or expand, to access new markets, or to diversify, including aquaponics systems, with additional priority given to meat and poultry processors in the second year; providing funding not to exceed $300,000 each year for urban youth agricultural education or urban agriculture community development; providing funding not to exceed $300,000 each year for the good food access program under Minnesota Statutes, section 17.1017; facilitating the start-up, modernization, or expansion of other beginning and transitioning farms including by providing loans under Minnesota Statutes, section 41B.056; sustainable agriculture on-farm research and demonstration; development or expansion of food hubs and other alternative community-based food distribution systems; enhancing renewable energy infrastructure and use; crop research including basic and applied turf seed research; Farm Business Management tuition assistance; and good agricultural practices/good handling practices certification assistance. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program.

Of the amount appropriated for the agricultural growth, research, and innovation program in Minnesota Statutes, section 41A.12:

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

(2) $2,500,000 the first year and $2,500,000 the second year are for incentive payments under Minnesota Statutes, sections 41A.16, 41A.17, and 41A.18. Notwithstanding Minnesota Statutes, section 16A.28, the first year appropriation is available until June 30, 2021, and the second year appropriation is available until June 30, 2022. If this appropriation exceeds the total amount for which all producers are eligible in a fiscal year, the balance of the appropriation is available for the agricultural growth, research, and innovation program. The base amount for the allocation under this clause is $3,000,000 in fiscal year 2022 and later;

(3) up to $5,000,000 the first year is for Dairy Assistance, Investment, Relief Initiative (DAIRI) grants to Minnesota dairy farmers who enroll for five years of coverage under the federal dairy margin coverage program and produced no more than 16,000,000 pounds of milk in 2018. The commissioner must award DAIRI grants based on participating producers' amount of 2018 milk, up to 5,000,000 pounds per participating producer, at a rate determined by the commissioner within the limits of available funding;

(4) up to $5,000,000 the second year is for innovative soybean processing and research;

(5) $75,000 the first year is for a grant to Greater Mankato Growth, Inc. for assistance to agricultural-related businesses to promote jobs, innovation, and synergy development; and

(6) $75,000 the first year and $75,000 the second year are for grants to the Minnesota Turf Seed Council for basic and applied research.

The amounts in clauses (3) to (6) are onetime.

Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available for the second year and appropriations encumbered under contract on or before June 30, 2021, for agricultural growth, research, and innovation grants are available until June 30, 2024.

The base amount for the agricultural growth, research, and innovation program is $14,693,000 in fiscal year 2022 and $14,693,000 in fiscal year 2023, and includes funding for incentive payments under Minnesota Statutes, sections 41A.16, 41A.17, 41A.18, and 41A.20.

The commissioner must consult with the commissioner of transportation, the commissioner of administration, and local units of government to identify at least ten parcels of publicly owned land that are suitable for urban agriculture.

Sec. 4. **FARM SAFETY GRANT AND OUTREACH; APPROPRIATION.**

(a) $100,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of agriculture for farm safety grants and outreach programs under Minnesota Statutes, section 17.1195. Of this amount, $50,000 is for grain storage facility safety grants, and $50,000 is for (1) outreach, which may include creating and presenting a grain storage facility safety curriculum, and (2) awarding grants under paragraph (b). This is a onetime appropriation.

(b) The commissioner of agriculture may award grants to the Board of Regents of the University of Minnesota or the Board of Trustees of the Minnesota State Colleges and Universities to design digital applications that allow a user to remotely power off a grain storage facility via cell phone or electronic device. Any digital applications created as a result of this grant must be made available to the public at no cost. By January 15, 2021, the commissioner shall report on the grants issued under this appropriation to the members of the legislative committees with jurisdiction over agriculture finance and higher education finance. By February 1, 2022, a recipient of a grant for this purpose is requested to report to the commissioner of agriculture and the members of the legislative committees with jurisdiction over agriculture finance and higher education finance regarding the digital application produced as a result of the grant.

Sec. 5. **APPROPRIATIONS; RESPONSE TO COVID-19 CRISIS.**

Subdivision 1. **Farm loan origination fee grants.** (a) $175,000 in fiscal year 2020 is appropriated from the coronavirus relief federal fund to the commissioner of agriculture for grants to eligible farmers who have been approved for farm debt restructuring loans guaranteed by the United States Department of Agriculture (USDA), Farm Service Agency or issued under a loan program administered by the Rural Finance Authority. The commissioner must award an eligible farmer a grant in an amount equal to 50 percent of the loan origination fee amount required for the farmer to obtain the USDA, Farm Service Agency guaranteed loan or Rural Finance Authority program loan.

(b) For purposes of this section, "eligible farmer" means an individual who regularly participates in physical labor or operations management in the individual's farming operation and files "Schedule F" as part of the person's annual Form 1040 filing with the United States Internal Revenue Service or a family farm organized under Minnesota Statutes, section 500.24, if the individual or family farm:

(1) has a total net worth of less than $800,000 in calendar year 2020; and

(2) is either in mediation proceedings under Minnesota Statutes, chapter 583, or has received a mediation notice under Minnesota Statutes, section 583.26, subdivision 1, paragraph (a).

(c) The commissioner must give first priority to grant applicants who are currently in mediation under Minnesota Statutes, chapter 583, and must give second priority to grant applicants who have received a mediation notice under Minnesota Statutes, section 583.26, subdivision 1, paragraph (a).

(d) The amount appropriated under this subdivision is onetime.

(e) The commissioner may use up to ten percent of the amount appropriated under this section to administer the grant program.

Subd. 2. **Farm advocate services.** $60,000 in fiscal year 2020 is appropriated from the coronavirus relief federal fund to the commissioner of agriculture for additional farm advocate services in response to the COVID-19 crisis. This is a onetime appropriation.

Subd. 3. **Retail food handler safety.** (a) $125,000 in fiscal year 2020 is appropriated from the coronavirus relief federal fund to the commissioner of agriculture for grants to retail food handlers, as described in Minnesota Statutes, section 28A.05, paragraph (a). The commissioner may award grants for recipients to execute requirements, guidance, and recommendations related to the infectious disease known as COVID-19 provided by the Centers for Disease Control and Prevention and the Minnesota Department of Health, and to develop safety procedures, update and retrofit retail locations, purchase personal protective equipment for employees, and educate the public on the need to follow safety procedures. This is a onetime appropriation.

(b) Grants under this subdivision equal $500 for stores that qualify as retail food handlers. The commissioner must not award a business with multiple eligible locations more than $2,000 in total grants. Applicants must provide information to the commissioner on how grant money will be used to ensure safety of Minnesotans from COVID-19.

Subd. 4. **Expanded meat and poultry processing grants.** $100,000 in fiscal year 2020 is appropriated from the coronavirus relief federal fund to the commissioner of agriculture for grants to independently owned or employee-owned meat and poultry processors that may also operate as a retail seller, to expand their processing operations to help make up the loss of processing animals as a result of the temporary closing or operation reductions of other processing facilities due to the COVID-19 crisis.

Subd. 5. **Rural mental health services and outreach.** $40,000 in fiscal year 2020 is appropriated from the coronavirus relief federal fund to the commissioner of agriculture for additional community outreach on farms and rural mental health services, including

suicide prevention training, mental health awareness training for farm and rural adolescents, and mental health forums in response to the COVID-19 crisis.

Subd. 6. **COVID-19 assistance to farmers and value-added businesses.** $100,000 in fiscal year 2020 is appropriated from the coronavirus relief federal fund to the commissioner of agriculture for assistance to farmers and value-added agricultural businesses whose markets and operations were negatively impacted by COVID-19.

Subd. 7. **Eligible expenditure from the coronavirus relief fund.** (a) No money in this section may be spent until the commissioner of management and budget determines that the appropriations in this section are an eligible use of the coronavirus relief fund.

(b) The commissioner may transfer funds between the appropriations under subdivisions 4 and 6 based on need, the availability of nonstate funds, or other factors.

(c) The appropriations in this section are available until December 30, 2020.

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

Presented to the governor May 18, 2020

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