

1.1 moves to amend H.F. No. 3888, the first engrossment, as follows:

1.2 Page 3, delete section 4 and insert:

1.3 "Sec. 4. Minnesota Statutes 2014, section 17.117, subdivision 4, is amended to read:

1.4 Subd. 4. **Definitions.** (a) For the purposes of this section, the terms defined in this
1.5 subdivision have the meanings given them.

1.6 (b) "Agricultural and environmental revolving accounts" means accounts in the
1.7 agricultural fund, controlled by the commissioner, which hold funds available to the
1.8 program.

1.9 (c) "Agriculture supply business" means a person, partnership, joint venture,
1.10 corporation, limited liability company, association, firm, public service company,
1.11 or cooperative that provides materials, equipment, or services to farmers or
1.12 agriculture-related enterprises.

1.13 (d) "Allocation" means the funds awarded to an applicant for implementation of best
1.14 management practices through a competitive or noncompetitive application process.

1.15 (e) "Applicant" means a local unit of government eligible to participate in this
1.16 program that requests an allocation of funds as provided in subdivision 6b.

1.17 (f) "Best management practices" has the meaning given in sections 103F.711,
1.18 subdivision 3, and 103H.151, subdivision 2, ~~or~~ Best management practices also means
1.19 other practices, techniques, and measures that have been demonstrated to the satisfaction
1.20 of the commissioner: (1) to prevent or reduce adverse environmental impacts by using
1.21 the most effective and practicable means of achieving environmental goals; or (2) to
1.22 achieve drinking water quality standards under chapter 103H or under Code of Federal
1.23 Regulations, title 40, parts 141 and 143, as amended.

1.24 (g) "Borrower" means a farmer, an agriculture supply business, or a rural landowner
1.25 applying for a low-interest loan.

2.1 (h) "Commissioner" means the commissioner of agriculture, including when the
2.2 commissioner is acting in the capacity of chair of the Rural Finance Authority, or the
2.3 designee of the commissioner.

2.4 (i) "Committed project" means an eligible project scheduled to be implemented at
2.5 a future date:

2.6 (1) that has been approved and certified by the local government unit; and

2.7 (2) for which a local lender has obligated itself to offer a loan.

2.8 (j) "Comprehensive water management plan" means a state approved and locally
2.9 adopted plan authorized under section 103B.231, 103B.255, 103B.311, 103C.331,
2.10 103D.401, or 103D.405.

2.11 (k) "Cost incurred" means expenses for implementation of a project accrued because
2.12 the borrower has agreed to purchase equipment or is obligated to pay for services or
2.13 materials already provided as a result of implementing an approved eligible project.

2.14 (l) "Farmer" means a person, partnership, joint venture, corporation, limited liability
2.15 company, association, firm, public service company, or cooperative that regularly
2.16 participates in physical labor or operations management of farming and files a Schedule F
2.17 as part of filing United States Internal Revenue Service Form 1040 or indicates farming as
2.18 the primary business activity under Schedule C, K, or S, or any other applicable report to
2.19 the United States Internal Revenue Service.

2.20 (m) "Lender agreement" means an agreement entered into between the commissioner
2.21 and a local lender which contains terms and conditions of participation in the program.

2.22 (n) "Local government unit" means a county, soil and water conservation district,
2.23 or an organization formed for the joint exercise of powers under section 471.59 with
2.24 the authority to participate in the program.

2.25 (o) "Local lender" means a local government unit as defined in paragraph (n), a state
2.26 or federally chartered bank, a savings association, a state or federal credit union, Agribank
2.27 and its affiliated organizations, or a nonprofit economic development organization or other
2.28 financial lending institution approved by the commissioner.

2.29 (p) "Local revolving loan account" means the account held by a local government unit
2.30 and a local lender into which principal repayments from borrowers are deposited and new
2.31 loans are issued in accordance with the requirements of the program and lender agreements.

2.32 (q) "Nonpoint source" has the meaning given in section 103F.711, subdivision 6.

2.33 (r) "Program" means the agriculture best management practices loan program
2.34 in this section.

3.1 (s) "Project" means one or more components or activities located within Minnesota
 3.2 that are required by the local government unit to be implemented for satisfactory
 3.3 completion of an eligible best management practice.

3.4 (t) "Rural landowner" means the owner of record of Minnesota real estate located
 3.5 in an area determined by the local government unit to be rural after consideration of
 3.6 local land use patterns, zoning regulations, jurisdictional boundaries, local community
 3.7 definitions, historical uses, and other pertinent local factors.

3.8 (u) "Water-quality cooperative" has the meaning given in section 115.58, paragraph
 3.9 (d), except as expressly limited in this section.

3.10 Sec. 5. Minnesota Statutes 2014, section 17.117, subdivision 11a, is amended to read:

3.11 Subd. 11a. **Eligible projects.** (a) All projects that remediate or mitigate adverse
 3.12 environmental impacts are eligible if:

3.13 ~~(1) the project is eligible under the an allocation agreement and funding sources~~
 3.14 ~~designated by the local government unit to finance the project; and.~~

3.15 ~~(2) (b) A manure management projects remediate project is eligible if the project~~
 3.16 ~~remediates or mitigate mitigates impacts from facilities with less than 1,000 animal units~~
 3.17 ~~as defined in Minnesota Rules, chapter 7020, and otherwise meets the requirements of~~
 3.18 ~~this section.~~

3.19 (c) A drinking water project is eligible if the project:

3.20 (1) remediates the adverse environmental impacts or presence of contaminants in
 3.21 private well water;

3.22 (2) implements best management practices to achieve drinking water standards; and

3.23 (3) otherwise meets the requirements of this section."

3.24 Page 4, lines 25 and 26, delete the new language and insert "If the registrant's annual
 3.25 gross sales of nonagricultural pesticide exceeded \$70,000 in the previous calendar year, the"

3.26 Renummer the sections in sequence and correct the internal references

3.27 Amend the title accordingly