

..... moves to amend H.F. No. 1704 as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
APPROPRIATIONS

Section 1. AGRICULTURE APPROPRIATIONS.

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

		<u>APPROPRIATIONS</u> <u>Available for the Year</u> <u>Ending June 30</u>	
		<u>2026</u>	<u>2027</u>
Sec. 2. <u>DEPARTMENT OF AGRICULTURE</u>			
Subdivision 1. <u>Total Appropriation</u>	\$	<u>62,388,000</u>	\$ <u>59,032,000</u>
<u>Appropriations by Fund</u>			
		<u>2026</u>	<u>2027</u>
<u>General</u>		<u>61,989,000</u>	<u>58,633,000</u>
<u>Remediation</u>		<u>399,000</u>	<u>399,000</u>
<u>The amounts that may be spent for each purpose are specified in the following subdivisions.</u>			

2.1 Subd. 2. Protection Services2.2 Appropriations by Fund

2.3	<u>2026</u>	<u>2027</u>
2.4 <u>General</u>	<u>22,333,000</u>	<u>22,836,000</u>
2.5 <u>Remediation</u>	<u>399,000</u>	<u>399,000</u>

2.6 (a) \$399,000 the first year and \$399,000 the  
2.7 second year are from the remediation fund for  
2.8 administrative funding for the voluntary  
2.9 cleanup program.

2.10 (b) \$639,000 the first year and \$639,000 the  
2.11 second year are for the soil health financial  
2.12 assistance program under Minnesota Statutes,  
2.13 section 17.134. The commissioner may award  
2.14 no more than \$50,000 of the appropriation  
2.15 each year to a single recipient. The  
2.16 commissioner may use up to 6.5 percent of  
2.17 this appropriation for costs incurred to  
2.18 administer the program. Any unencumbered  
2.19 balance does not cancel at the end of the first  
2.20 year and is available in the second year.

2.21 Appropriations encumbered under contract on  
2.22 or before June 30, 2027, for soil health  
2.23 financial assistance grants are available until  
2.24 June 30, 2029.

2.25 (c) \$350,000 the first year and \$350,000 the  
2.26 second year are for compensation for  
2.27 destroyed or crippled livestock under  
2.28 Minnesota Statutes, section 3.737. The first  
2.29 year appropriation may be spent to compensate  
2.30 for livestock that were destroyed or crippled  
2.31 during fiscal year 2025. If the amount in the  
2.32 first year is insufficient, the amount in the  
2.33 second year is available in the first year. The  
2.34 commissioner may use up to \$5,000 each year  
2.35 to reimburse expenses incurred by university

3.1 extension educators to provide fair market  
3.2 values of destroyed or crippled livestock. If  
3.3 the commissioner receives federal dollars to  
3.4 pay claims for destroyed or crippled livestock,  
3.5 an equivalent amount of this appropriation  
3.6 may be used to reimburse nonlethal prevention  
3.7 methods performed by federal wildlife services  
3.8 staff.

3.9 (d) \$310,000 the first year and \$310,000 the  
3.10 second year are for compensation for crop  
3.11 damage under Minnesota Statutes, section  
3.12 3.7371. If the amount in the first year is  
3.13 insufficient, the amount in the second year is  
3.14 available in the first year. The commissioner  
3.15 may use up to \$10,000 of the appropriation  
3.16 each year to reimburse expenses incurred by  
3.17 the commissioner or the commissioner's  
3.18 approved agent to investigate and resolve  
3.19 claims, as well as for costs associated with  
3.20 training for approved agents. The  
3.21 commissioner may use up to \$40,000 of the  
3.22 appropriation each year to make grants to  
3.23 producers for measures to protect stored crops  
3.24 from elk damage. If the commissioner  
3.25 determines that claims made under Minnesota  
3.26 Statutes, section 3.737 or 3.7371, are  
3.27 unusually high, amounts appropriated for  
3.28 either program may be transferred to the  
3.29 appropriation for the other program.

3.30 (e) \$825,000 the first year and \$825,000 the  
3.31 second year are to replace capital equipment  
3.32 in the Department of Agriculture's analytical  
3.33 laboratory.

3.34 (f) \$75,000 the first year and \$75,000 the  
3.35 second year are to support a meat processing

4.1 liaison position to assist new or existing meat  
4.2 and poultry processing operations in getting  
4.3 started, expanding, growing, or transitioning  
4.4 into new business models.

4.5 (g) \$420,000 the first year and \$923,000 the  
4.6 second year are additional funding to maintain  
4.7 the current level of service delivery for  
4.8 programs under this subdivision.

4.9 (h) \$1,000,000 the first year and \$1,000,000  
4.10 the second year are for grants to counties to  
4.11 support county agricultural inspectors under  
4.12 section 12. These are onetime appropriations.  
4.13 The commissioner of agriculture may use up  
4.14 to three percent of the appropriation each year  
4.15 for administration.

4.16 (i) \$850,000 the first year and \$850,000 the  
4.17 second year are for additional meat and poultry  
4.18 inspection services. The commissioner is  
4.19 encouraged to seek inspection waivers,  
4.20 matching federal dollars, and offer more online  
4.21 inspections for this purpose under this  
4.22 paragraph.

4.23 (j) \$1,250,000 the first year and \$1,250,000  
4.24 the second year is appropriated to establish  
4.25 and administer the biofertilizer innovation and  
4.26 efficiency program. The commissioner may  
4.27 use up to 6.5 percent of this appropriation for  
4.28 costs incurred to administer the program.

4.29 Notwithstanding Minnesota Statutes, section  
4.30 16A.28, any unencumbered balance at the end  
4.31 of fiscal year 2026 does not cancel and is  
4.32 available until June 30, 2027.

5.1	<b><u>Subd. 3. Agricultural Marketing and</u></b>		
5.2	<b><u>Development</u></b>	<u>24,676,000</u>	<u>24,676,000</u>
5.3	<u>(a) \$150,000 the first year and \$150,000 the</u>		
5.4	<u>second year are to expand international trade</u>		
5.5	<u>opportunities and markets for Minnesota</u>		
5.6	<u>agricultural products.</u>		
5.7	<u>(b) \$634,000 the first year and \$634,000 the</u>		
5.8	<u>second year are for the continuation of the</u>		
5.9	<u>dairy development and profitability</u>		
5.10	<u>enhancement programs, including dairy</u>		
5.11	<u>profitability teams and dairy business planning</u>		
5.12	<u>grants under Minnesota Statutes, section</u>		
5.13	<u>32D.30.</u>		
5.14	<u>(c) The commissioner may use funds</u>		
5.15	<u>appropriated in this subdivision for annual</u>		
5.16	<u>cost-share payments to resident farmers or</u>		
5.17	<u>entities that sell, process, or package</u>		
5.18	<u>agricultural products in this state for the costs</u>		
5.19	<u>of organic certification. The commissioner</u>		
5.20	<u>may allocate these funds for assistance to</u>		
5.21	<u>persons transitioning from conventional to</u>		
5.22	<u>organic agriculture.</u>		
5.23	<u>(d) \$100,000 the first year and \$100,000 the</u>		
5.24	<u>second year are for mental health outreach and</u>		
5.25	<u>support to farmers, ranchers, farm workers</u>		
5.26	<u>and employees, and others in the agricultural</u>		
5.27	<u>profession and for farm and farm worker</u>		
5.28	<u>safety grant and outreach programs under</u>		
5.29	<u>Minnesota Statutes, section 17.1195. Mental</u>		
5.30	<u>health outreach and support may include a</u>		
5.31	<u>24-hour hotline, stigma reduction, and</u>		
5.32	<u>education. Notwithstanding Minnesota</u>		
5.33	<u>Statutes, section 16A.28, any unencumbered</u>		
5.34	<u>balance does not cancel at the end of the first</u>		

6.1 year and is available in the second year. These  
6.2 are onetime appropriations.

6.3 (e) \$20,082,000 the first year and \$20,082,000  
6.4 the second year are for the agricultural growth,  
6.5 research, and innovation program under  
6.6 Minnesota Statutes, section 41A.12. Except  
6.7 as provided below, the commissioner may  
6.8 allocate this appropriation each year among  
6.9 the following areas: facilitating the start-up,  
6.10 modernization, improvement, or expansion of  
6.11 livestock operations, including beginning and  
6.12 transitioning livestock operations with  
6.13 preference given to robotic dairy-milking  
6.14 equipment; assisting value-added agricultural  
6.15 businesses to begin or expand, to access new  
6.16 markets, or to diversify, including aquaponics  
6.17 systems, with preference given to hemp fiber  
6.18 processing equipment; facilitating the start-up,  
6.19 modernization, or expansion of other  
6.20 beginning and transitioning farms, including  
6.21 by providing loans under Minnesota Statutes,  
6.22 section 41B.056; sustainable agriculture  
6.23 on-farm research and demonstration; the  
6.24 development or expansion of food hubs and  
6.25 other alternative community-based food  
6.26 distribution systems; enhancing renewable  
6.27 energy infrastructure and use; crop research,  
6.28 including basic and applied turf seed research;  
6.29 Farm Business Management tuition assistance;  
6.30 and good agricultural practices and good  
6.31 handling practices certification assistance. The  
6.32 commissioner may use up to 6.5 percent of  
6.33 this appropriation for costs incurred to  
6.34 administer the program.

7.1 Of the amount appropriated for the agricultural  
7.2 growth, research, and innovation program  
7.3 under Minnesota Statutes, section 41A.12:  
7.4 (1) \$1,000,000 the first year and \$1,000,000  
7.5 the second year are for distribution in equal  
7.6 amounts to each of the state's county fairs to  
7.7 preserve and promote Minnesota agriculture;  
7.8 (2) \$3,000,000 the first year and \$3,000,000  
7.9 the second year are for incentive payments  
7.10 under Minnesota Statutes, sections 41A.16,  
7.11 41A.17, 41A.18, and 41A.20. Notwithstanding  
7.12 Minnesota Statutes, section 16A.28, the first  
7.13 year appropriation is available until June 30,  
7.14 2027, and the second year appropriation is  
7.15 available until June 30, 2028. If this  
7.16 appropriation exceeds the total amount for  
7.17 which all producers are eligible in a fiscal  
7.18 year, the balance of the appropriation is  
7.19 available for other purposes under this  
7.20 paragraph;  
7.21 (3) \$4,500,000 the first year and \$4,500,000  
7.22 the second year are for grants that enable retail  
7.23 petroleum dispensers, fuel storage tanks, and  
7.24 other equipment to dispense biofuels to the  
7.25 public in accordance with the biofuel  
7.26 replacement goals established under  
7.27 Minnesota Statutes, section 239.7911. A retail  
7.28 petroleum dispenser selling petroleum for use  
7.29 in spark ignition engines for vehicle model  
7.30 years after 2000 is eligible for grant money  
7.31 under this clause if the retail petroleum  
7.32 dispenser has no more than 20 retail petroleum  
7.33 dispensing sites and each site is located in  
7.34 Minnesota. The grant money must be used to  
7.35 replace or upgrade equipment that does not

8.1 have the ability to be certified for E25. A grant  
8.2 award must not exceed \$200,000 per station.  
8.3 The commissioner must cooperate with biofuel  
8.4 stakeholders in the implementation of the grant  
8.5 program. The commissioner, in cooperation  
8.6 with any economic or community development  
8.7 financial institution and any other entity with  
8.8 which the commissioner contracts, must  
8.9 submit a report on the biofuels infrastructure  
8.10 financial assistance program by January 15 of  
8.11 each year to the chairs and ranking minority  
8.12 members of the legislative committees and  
8.13 divisions with jurisdiction over agriculture  
8.14 policy and finance. The annual report must  
8.15 include but not be limited to a summary of the  
8.16 following metrics: (i) the number and types  
8.17 of projects financed; (ii) the amount of dollars  
8.18 leveraged or matched per project; (iii) the  
8.19 geographic distribution of financed projects;  
8.20 (iv) any market expansion associated with  
8.21 upgraded infrastructure; (v) the demographics  
8.22 of the areas served; (vi) the costs of the  
8.23 program; and (vii) the number of grants to  
8.24 minority-owned or female-owned businesses.  
8.25 The base under this clause is \$3,000,000 for  
8.26 fiscal year 2028 and each year thereafter;  
8.27 (4) \$1,250,000 the first year and \$1,250,000  
8.28 the second year are for grants to facilitate the  
8.29 start-up, modernization, or expansion of meat,  
8.30 poultry, egg, and milk processing facilities. A  
8.31 grant award under this clause must not exceed  
8.32 \$200,000. Any unencumbered balance at the  
8.33 end of the second year does not cancel until  
8.34 June 30, 2028, and may be used for other  
8.35 purposes under this paragraph. The base under



9.1 this clause is \$250,000 in fiscal year 2028 and  
9.2 each year thereafter;

9.3 (5) up to \$1,294,000 the first year and up to  
9.4 \$1,294,000 the second year are for providing  
9.5 more fruits, vegetables, meat, poultry, grain,  
9.6 and dairy for children in school and early  
9.7 childhood education settings, including, at the  
9.8 commissioner's discretion, providing grants  
9.9 to reimburse schools and early childhood  
9.10 education and child care providers for  
9.11 purchasing equipment and agricultural  
9.12 products. Organizations must participate in  
9.13 the National School Lunch Program or the  
9.14 Child and Adult Care Food Program to be  
9.15 eligible. Of the amount appropriated, \$150,000  
9.16 each year is for a statewide coordinator of  
9.17 farm-to-institution strategy and programming.  
9.18 The coordinator must consult with relevant  
9.19 stakeholders and provide technical assistance  
9.20 and training for participating farmers and  
9.21 eligible grant recipients;

9.22 (6) up to \$2,000,000 the first year and up to  
9.23 \$2,000,000 the second year are for urban  
9.24 youth agricultural education or urban  
9.25 agriculture community development;

9.26 (7) up to \$1,000,000 the first year and up to  
9.27 \$1,000,000 the second year are for the good  
9.28 food access program under Minnesota  
9.29 Statutes, section 17.1017; and

9.30 (8) \$200,000 the first year and \$200,000 the  
9.31 second year are for cooperative development  
9.32 grants.

9.33 Notwithstanding Minnesota Statutes, section  
9.34 16A.28, any unencumbered balance does not

10.1 cancel at the end of the first year and is  
10.2 available for the second year, and  
10.3 appropriations encumbered under contract on  
10.4 or before June 30, 2027, for agricultural  
10.5 growth, research, and innovation grants are  
10.6 available until June 30, 2028.

10.7 (f) The base for the agricultural growth,  
10.8 research, and innovation program is  
10.9 \$17,582,000 in fiscal year 2028 and each year  
10.10 thereafter.

10.11 Subd. 4. **Administration and Financial**  
10.12 **Assistance**

14,980,000

11,121,000

10.13 (a) \$474,000 the first year and \$474,000 the  
10.14 second year are for payments to county and  
10.15 district agricultural societies and associations  
10.16 under Minnesota Statutes, section 38.02,  
10.17 subdivision 1. Aid payments to county and  
10.18 district agricultural societies and associations  
10.19 must be disbursed no later than July 15 of each  
10.20 year. These payments are the amount of aid  
10.21 from the state for an annual fair held in the  
10.22 previous calendar year.

10.23 (b) \$500,000 the first year and \$500,000 the  
10.24 second year are for grants to the Minnesota  
10.25 Agricultural Education and Leadership  
10.26 Council for programs of the council under  
10.27 Minnesota Statutes, chapter 41D.

10.28 (c) \$2,000 the first year is for a grant to the  
10.29 Minnesota State Poultry Association. This is  
10.30 a onetime appropriation.

10.31 (d) \$36,000 the first year is for a grant to the  
10.32 Minnesota Livestock Breeders Association.

- 11.1 (e) \$120,000 the first year is for a grant to the  
11.2 Northern Crops Institute that may be used to  
11.3 purchase equipment.
- 11.4 (f) \$68,000 the first year is for a grant to the  
11.5 Minnesota State Horticultural Society.
- 11.6 (g) \$50,000 the first year is for a grant to the  
11.7 Center for Rural Policy and Development.
- 11.8 (h) \$150,000 the first year is appropriated from  
11.9 the general fund to the commissioner of  
11.10 agriculture for grants to the Minnesota Turf  
11.11 Seed Council for basic and applied research  
11.12 on: (1) the improved production of forage and  
11.13 turf seed related to new and improved  
11.14 varieties; and (2) native plants, including plant  
11.15 breeding, nutrient management, pest  
11.16 management, disease management, yield, and  
11.17 viability. The Minnesota Turf Seed Council  
11.18 may subcontract with a qualified third party  
11.19 for some or all of the basic or applied research.  
11.20 The Minnesota Turf Seed Council must  
11.21 prepare a report outlining the use of the grant  
11.22 money and related accomplishments. No later  
11.23 than January 15, 2027, the council must  
11.24 submit the report to the chairs and ranking  
11.25 minority members of the legislative  
11.26 committees and divisions with jurisdiction  
11.27 over agriculture finance and policy.
- 11.28 (i) \$400,000 the first year is for grants to  
11.29 GreenSeam for assistance to  
11.30 agriculture-related businesses to support  
11.31 business retention and development, business  
11.32 attraction and creation, talent development  
11.33 and attraction, and regional branding and  
11.34 promotion. No later than December 1, 2026,  
11.35 and December 1, 2027, GreenSeam must

12.1 report to the chairs and ranking minority  
12.2 members of the legislative committees with  
12.3 jurisdiction over agriculture and rural  
12.4 development with information on new and  
12.5 existing businesses supported, number of new  
12.6 jobs created in the region, new educational  
12.7 partnerships and programs supported, and  
12.8 regional branding and promotional efforts.

12.9 (j) \$1,250,000 the first year and \$1,250,000  
12.10 the second year are for grants to Second  
12.11 Harvest Heartland on behalf of Minnesota's  
12.12 six Feeding America food banks for the  
12.13 following purposes:

12.14 (1) at least \$850,000 each year must be  
12.15 allocated to purchase milk for distribution to  
12.16 Minnesota's food shelves and other charitable  
12.17 organizations that are eligible to receive food  
12.18 from the food banks. Milk purchased under  
12.19 the grants must be acquired from Minnesota  
12.20 milk processors and based on low-cost bids.  
12.21 The milk must be allocated to each Feeding  
12.22 America food bank serving Minnesota  
12.23 according to the formula used in the  
12.24 distribution of United States Department of  
12.25 Agriculture commodities under The  
12.26 Emergency Food Assistance Program. Second  
12.27 Harvest Heartland may enter into contracts or  
12.28 agreements with food banks for shared funding  
12.29 or reimbursement of the direct purchase of  
12.30 milk. Each food bank that receives funding  
12.31 under this clause may use up to two percent  
12.32 for administrative expenses. Notwithstanding  
12.33 Minnesota Statutes, section 16A.28, any  
12.34 unencumbered balance the first year does not  
12.35 cancel and is available the second year;

13.1 (2) to compensate agricultural producers and  
13.2 processors for costs incurred to harvest and  
13.3 package for transfer surplus fruits, vegetables,  
13.4 and other agricultural commodities that would  
13.5 otherwise go unharvested, be discarded, or be  
13.6 sold in a secondary market. Surplus  
13.7 commodities must be distributed statewide to  
13.8 food shelves and other charitable organizations  
13.9 that are eligible to receive food from the food  
13.10 banks. Surplus food acquired under this clause  
13.11 must be from Minnesota producers and  
13.12 processors. Second Harvest Heartland may  
13.13 use up to 15 percent of each grant awarded  
13.14 under this clause for administrative and  
13.15 transportation expenses; and

13.16 (3) to purchase and distribute protein products,  
13.17 including but not limited to pork, poultry, beef,  
13.18 dry legumes, cheese, and eggs to Minnesota's  
13.19 food shelves and other charitable organizations  
13.20 that are eligible to receive food from the food  
13.21 banks. Second Harvest Heartland may use up  
13.22 to two percent of each grant awarded under  
13.23 this clause for administrative expenses. Protein  
13.24 products purchased under the grants must be  
13.25 acquired from Minnesota processors and  
13.26 producers.

13.27 Second Harvest Heartland must submit  
13.28 quarterly reports to the commissioner and the  
13.29 chairs and ranking minority members of the  
13.30 legislative committees with jurisdiction over  
13.31 agriculture finance in the form prescribed by  
13.32 the commissioner. The reports must include  
13.33 but are not limited to information on the  
13.34 expenditure of funds, the amount of milk or  
13.35 other commodities purchased, and the

14.1 organizations to which this food was  
14.2 distributed.

14.3 (k) \$25,000 the first year and \$25,000 the  
14.4 second year are for grants to the Southern  
14.5 Minnesota Initiative Foundation to promote  
14.6 local foods through an annual event that raises  
14.7 public awareness of local foods and connects  
14.8 local food producers and processors with  
14.9 potential buyers.

14.10 (l) \$750,000 the first year and \$750,000 the  
14.11 second year are for the Emerging Farmers  
14.12 Office and provide services to beginning and  
14.13 emerging farmers to increase connections  
14.14 between farmers and market opportunities  
14.15 throughout the state. This appropriation may  
14.16 be used for grants, translation services,  
14.17 training programs, or other purposes in line  
14.18 with the recommendations of the Emerging  
14.19 Farmer Working Group established under  
14.20 Minnesota Statutes, section 17.055,  
14.21 subdivision 1.

14.22 (m) \$337,000 the first year and \$337,000 the  
14.23 second year are for farm advocate services.  
14.24 Of these amounts, \$50,000 the first year and  
14.25 \$50,000 the second year are for the  
14.26 continuation of the farmland transition  
14.27 programs and may be used for grants to  
14.28 farmland access teams to provide technical  
14.29 assistance to potential beginning farmers.  
14.30 Farmland access teams must assist existing  
14.31 farmers and beginning farmers with  
14.32 transitioning farm ownership and farm  
14.33 operation. Services provided by teams may  
14.34 include but are not limited to mediation  
14.35 assistance, designing contracts, financial

15.1 planning, tax preparation, estate planning, and  
15.2 housing assistance.

15.3 (n) \$260,000 the first year and \$260,000 the  
15.4 second year are for a pass-through grant to  
15.5 Region Five Development Commission to  
15.6 provide, in collaboration with Farm Business  
15.7 Management, statewide mental health  
15.8 counseling support to Minnesota farm  
15.9 operators, families, and employees, and  
15.10 individuals who work with Minnesota farmers  
15.11 in a professional capacity. Region Five  
15.12 Development Commission may use up to 6.5  
15.13 percent of the grant awarded under this  
15.14 paragraph for administration.

15.15 (o) \$150,000 the first year and \$150,000 the  
15.16 second year are for administrative support for  
15.17 the Rural Finance Authority.

15.18 (p) \$137,000 the first year and \$204,000 the  
15.19 second year are to maintain the current level  
15.20 of service delivery.

15.21 (q) \$1,000,000 the first year and \$1,000,000  
15.22 the second year are to award and administer  
15.23 down payment assistance grants under  
15.24 Minnesota Statutes, section 17.133, eligible  
15.25 applicants with no more than \$100,000 in  
15.26 annual gross farm product sales and eligible  
15.27 applicants who are producers of industrial  
15.28 hemp, cannabis, or one or more of the  
15.29 following specialty crops as defined by the  
15.30 United States Department of Agriculture for  
15.31 purposes of the specialty crop block grant  
15.32 program: fruits and vegetables; tree nuts; dried  
15.33 fruits; medicinal plants; culinary herbs and  
15.34 spices; horticulture crops; floriculture crops;  
15.35 and nursery crops. Notwithstanding Minnesota

16.1 Statutes, section 16A.28, any unencumbered  
16.2 balance at the end of the first year does not  
16.3 cancel and is available in the second year and  
16.4 appropriations encumbered under contract by  
16.5 June 30, 2027, are available until June 30,  
16.6 2029.

16.7 (r) \$3,100,000 the first year is for a grant to  
16.8 First District Association for a wastewater  
16.9 pretreatment project.

16.10 (s) The commissioner shall continue to  
16.11 increase connections with ethnic minority and  
16.12 immigrant farmers to farming opportunities  
16.13 and farming programs throughout the state.

16.14 Sec. 3. **BOARD OF ANIMAL HEALTH**                   \$           6,767,000 \$           6,767,000

16.15 (a) \$200,000 the first year and \$200,000 the  
16.16 second year are for agricultural emergency  
16.17 preparedness and response.

16.18 (b) \$357,000 the first year and \$357,000 the  
16.19 second year are to maintain the current level  
16.20 of service delivery.

16.21 Sec. 4. **AGRICULTURAL UTILIZATION**  
16.22 **RESEARCH INSTITUTE**                                   \$           4,388,000 \$           4,434,000

16.23 \$45,000 the first year and \$91,000 the second  
16.24 year are to maintain the current level of service  
16.25 delivery.

16.26 Sec. 5. **TRANSFERS.**

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

16.30 (b) \$186,000 in fiscal year 2026 and \$186,000 in fiscal year 2027 are transferred from  
16.31 the general fund to the Minnesota grown account and may be used as grants for Minnesota  
16.32 Grown promotion under Minnesota Statutes, section 17.102. Notwithstanding Minnesota  
16.33 Statutes, section 16A.28, the appropriations encumbered under contract on or before June



17.1 30, 2027, for Minnesota Grown grants in this paragraph are available until June 30, 2029.  
17.2 This transfer is \$186,000 in fiscal year 2028 and each year thereafter.

17.3 (c) \$10,852,000 in fiscal year 2026 and \$10,852,000 in fiscal year 2027 are transferred  
17.4 from the general fund to the agriculture research, education, extension, and technology  
17.5 transfer account under Minnesota Statutes, section 41A.14, subdivision 3, and the  
17.6 commissioner shall transfer funds each year to the Board of Regents of the University of  
17.7 Minnesota for purposes of Minnesota Statutes, section 41A.14, subdivision 1, clauses (1)  
17.8 and (2), and must supplement and not supplant existing sources and levels of funding. The  
17.9 commissioner may use up to one percent of this transfer for costs incurred to administer  
17.10 this program.

17.11 Of the amount transferred for the agricultural research, education, extension, and technology  
17.12 transfer grant program under Minnesota Statutes, section 41A.14,

17.13 (1) \$600,000 in fiscal year 2026 and \$600,000 in fiscal year 2027 are for the Minnesota  
17.14 Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes,  
17.15 section 41A.14, subdivision 1, clause (2);

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

17.19 (3) \$2,750,000 in fiscal year 2026 and \$2,750,000 in fiscal year 2027 are for grants to  
17.20 the Minnesota Agricultural Educational Leadership Council to enhance agricultural education  
17.21 with priority given to Farm Business Management challenge grants;

17.22 (4) \$350,000 in fiscal year 2026 and \$350,000 in fiscal year 2027 are for potato research;

17.23 (5) \$802,000 in fiscal year 2026 and \$802,000 in fiscal year 2027 are to fund the Forever  
17.24 Green Initiative and protect the state's natural resources while increasing the efficiency,  
17.25 profitability, and productivity of Minnesota farmers by incorporating perennial and winter  
17.26 annual crops into existing agricultural practices. By February 1 each year, the dean of the  
17.27 College of Food, Agricultural, and Natural Resources Sciences must submit a report to the  
17.28 chairs and ranking minority members of the legislative committees with jurisdiction over  
17.29 agriculture finance and policy and higher education detailing uses of the funds in this  
17.30 paragraph, including administrative costs, and the achievements these funds contributed to,  
17.31 including basic and applied turf seed research, Farm Business management tuition assistance,  
17.32 and good agricultural practices and good handling practices certification assistance. The  
17.33 commissioner may use up to 6.5 percent of this transfer for costs incurred to administer the  
17.34 program;

18.1 (6) \$200,000 in fiscal year 2026 and \$200,000 in fiscal year 2027 are for research on  
18.2 natural strands of wild rice; and

18.3 (7) \$250,000 in fiscal year 2026 and \$250,000 in fiscal year 2027 are for the cultivated  
18.4 wild rice forward selection project at the North Central Research and Outreach Center,  
18.5 including a tenure track or research associate plant scientist.

18.6 The transfer for the agricultural research, education, extension, and technology transfer  
18.7 program is \$10,852,000 in fiscal year 2028 and each year thereafter.

18.8 (d) \$1,425,000 in fiscal year 2026 and \$1,425,000 in fiscal year 2027 are transferred  
18.9 from the general fund to the agricultural and environmental revolving loan account  
18.10 established under Minnesota Statutes, section 17.117, subdivision 51, for low-interest loans  
18.11 under Minnesota Statutes, section 17.117. This transfer is \$1,425,000 in fiscal year 2028  
18.12 and each year thereafter.

18.13 Sec. 6. **CANCELLATION.**

18.14 \$3,000,000 of the fiscal year 2024 general fund appropriation for grants to cooperatives  
18.15 to invest in green fertilizer production facilities under Laws 2023, chapter 60, article 10,  
18.16 section 4, is canceled.

18.17 Sec. 7. **FISCAL YEAR 2025 APPROPRIATIONS.**

18.18 (a) \$125,000 in fiscal year 2025 is appropriated to the commissioner of agriculture for  
18.19 compensation for destroyed or crippled livestock under Minnesota Statutes, section 3.737.  
18.20 The commissioner of agriculture may use up to \$5,000 to reimburse expenses incurred by  
18.21 university extension educators to provide fair market values of destroyed or crippled  
18.22 livestock. If the commissioner of agriculture receives federal funding to pay claims for  
18.23 destroyed or crippled livestock, an equivalent amount of this appropriation may be used to  
18.24 reimburse nonlethal prevention methods performed by federal wildlife services staff. This  
18.25 is a onetime appropriation and is available until June 30, 2026.

18.26 (b) \$125,000 in fiscal year 2025 is appropriated to the commissioner of agriculture for  
18.27 compensation for crop damage under Minnesota Statutes, section 3.7371. The commissioner  
18.28 of agriculture may use up to \$10,000 of the appropriation to reimburse expenses incurred  
18.29 by the commissioner of agriculture or the commissioner of agriculture's approved agent to  
18.30 investigate and resolve claims, as well as for costs associated with training for approved  
18.31 agents. The commissioner of agriculture may use up to \$40,000 of the appropriation to make  
18.32 grants to producers for measures to protect stored crops from elk damage. If the commissioner

19.1 of agriculture determines that claims made under Minnesota Statutes, section 3.737 or  
19.2 3.7371 are unusually high, amounts appropriated for either program may be transferred to  
19.3 the appropriation for the other program. This is a onetime appropriation and is available  
19.4 until June 30, 2026.

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

19.6 Sec. 8. **FISCAL YEAR 2025 TRANSFER.**

19.7 \$1,500,000 in fiscal year 2025 is transferred from the general fund to the agricultural  
19.8 emergency account established under Minnesota Statutes, section 17.041.

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

19.10 Sec. 9. Minnesota Statutes 2024, section 17.133, subdivision 2, is amended to read:

19.11 Subd. 2. **Grants.** The commissioner may award farm down payment assistance grants  
19.12 of up to \$15,000 per eligible farmer purchasing less than 80 acres of farmland, and up to  
19.13 \$30,000 per eligible farmer purchasing 80 acres or more of farmland. Each award must be  
19.14 matched with at least \$8,000 of other funding. Grants under this subdivision may be awarded  
19.15 by a randomized selection process after applications are collected over a period of no less  
19.16 than 30 calendar days. An eligible farmer must commit to own and farm the land purchased  
19.17 with assistance provided under this section for at least five years. For each year that a grant  
19.18 recipient does not own and farm the land during the five-year period, the grant recipient  
19.19 must pay a penalty to the commissioner equal to 20 percent of the grant amount.

19.20 Sec. 10. Minnesota Statutes 2024, section 18C.005, is amended by adding a subdivision  
19.21 to read:

19.22 Subd. 4a. **Commercial nitrogen fertilizer.** "Commercial nitrogen fertilizer" means a  
19.23 fertilizer with a nitrogen content that is not less than 25 percent.

19.24 Sec. 11. **[18C.113] BIOFERTILIZER INNOVATION AND EFFICIENCY**  
19.25 **PROGRAM.**

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

20.1 amendments, fertilizers with nitrogen fixing properties, biological sources of nitrogen, and  
20.2 other biofertilizers.

20.3 Subd. 2. **Payments to qualified farmers.** (a) In consultation with farmers and the  
20.4 fertilizer industry, the commissioner must establish a per-acre payment rate, not less than  
20.5 \$5 per acre, for payments provided to a qualifying farmer. The program must provide an  
20.6 annual per-acre incentive payment to a qualifying farmer who verifies through documentation  
20.7 that the farmer has reduced commercial nitrogen fertilizer rates by using a qualifying product  
20.8 in the farmer's crop nutrient management plans by the lesser of:

20.9 (1) 15 percent; or

20.10 (2) 30 pounds per acre.

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

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

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

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

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

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

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

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

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

21.1       Sec. 12. COUNTY AGRICULTURAL INSPECTORS.

21.2           (a) To be eligible for grants under this section, a county must employ a county agricultural  
21.3 inspector or a county-designated employee who:

21.4           (1) has attended training for new county agricultural inspectors offered by the  
21.5 commissioner of agriculture;

21.6           (2) coordinates with the commissioner of agriculture to review applicable laws and  
21.7 enforcement procedures;

21.8           (3) compiles and submits to the commissioner of agriculture local weed inspector annual  
21.9 report data;

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

21.11          (5) assists the commissioner of agriculture with control programs and other agricultural  
21.12 programs when requested under Minnesota Statutes, section 18.81, subdivision 1b, as  
21.13 directed by the county board.

21.14          (b) County agricultural inspectors and county-designated employees must annually  
21.15 submit an application, on a form approved by the commissioner of agriculture, to be eligible  
21.16 for funding during a given year. The commissioner of agriculture must equally divide  
21.17 available grant money among eligible counties.

21.18                               **ARTICLE 2**  
21.19                               **BROADBAND**

21.20   Section 1. BROADBAND DEVELOPMENT APPROPRIATIONS.

21.21          The sums shown in the columns marked "Appropriations" are appropriated to the agencies  
21.22 and for the purposes specified in this article. The appropriations are from the general fund,  
21.23 or another named fund, and are available for the fiscal years indicated for each purpose.  
21.24          The figures "2026" and "2027" used in this article mean that the appropriations listed under  
21.25 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.  
21.26          "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"  
21.27 is fiscal years 2026 and 2027.

21.28		<b><u>APPROPRIATIONS</u></b>		
21.29		<b><u>Available for the Year</u></b>		
21.30		<b><u>Ending June 30</u></b>		
21.31		<b><u>2026</u></b>		<b><u>2027</u></b>
21.32	Sec. 2. <u>DEPARTMENT OF EMPLOYMENT</u>			
21.33	<u>AND ECONOMIC DEVELOPMENT</u>	<b><u>\$</u></b>	<b><u>1,001,000</u></b>	<b><u>\$ 1,001,000</u></b>

22.1 \$1,001,000 each year is for the Office of  
22.2 Broadband Development.

22.3 Sec. 3. Minnesota Statutes 2024, section 326B.198, subdivision 2, is amended to read:

22.4 Subd. 2. **Installation requirements.** (a) The installation of underground  
22.5 telecommunications infrastructure that is located within ten feet of existing underground  
22.6 utilities or that crosses the existing underground utilities must be performed by  
22.7 safety-qualified underground telecommunications installers as follows:

22.8 (1) the location of existing utilities by hand- or hydro-excavation or other accepted  
22.9 methods must be performed by a safety-qualified underground telecommunications installer;  
22.10 and

22.11 (2) where telecommunications infrastructure is installed by means of directional drilling,  
22.12 the monitoring of the location and depth of the drill head must be performed by a  
22.13 safety-qualified underground telecommunications installer; ~~and.~~

22.14 ~~(3) no fewer than two safety-qualified underground telecommunications installers must~~  
22.15 ~~be present at all times at any location where telecommunications infrastructure is being~~  
22.16 ~~installed by means of directional drilling.~~

22.17 ~~(b) Beginning July 1, 2025, all installations of underground telecommunications~~  
22.18 ~~infrastructure subject to this subdivision within the seven-county metropolitan area must~~  
22.19 ~~be performed by safety-qualified underground telecommunications installers that meet the~~  
22.20 ~~requirements of this subdivision.~~

22.21 ~~(e)~~ (b) Beginning January 1, 2026, all installations of underground telecommunications  
22.22 infrastructure subject to this subdivision within this state must be performed by  
22.23 safety-qualified underground telecommunications installers that meet the requirements of  
22.24 this subdivision.

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

22.26 Delete the title and insert:

22.27 "A bill for an act

22.28 relating to state government; establishing a budget for the Department of  
22.29 Agriculture, the Board of Animal Health, the Agricultural Utilization Research  
22.30 Institute, and the Office of Broadband Development; making policy and technical  
22.31 changes to agricultural provisions; making policy and technical changes to  
22.32 broadband provisions; requiring reports; appropriating money; amending Minnesota  
22.33 Statutes 2024, sections 17.133, subdivision 2; 18C.005, by adding a subdivision;  
22.34 326B.198, subdivision 2; proposing coding for new law in Minnesota Statutes,  
22.35 chapter 18C."