

Subject    Agriculture

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## Overview

This bill would require the Minnesota Department of Agriculture (MDA) to assess a new fee on all nitrogen fertilizer sold or distributed in the state and appropriate the proceeds to MDA for aid payments to community health boards located in specified counties in the karst region of southeastern Minnesota. The community health boards would use this money to help local residents obtain safe drinking water when the nitrate level in a resident's private well exceeds the state health risk limit of 10 mg/L.

The bill also extends the existing Agricultural Fertilizer Research and Education Council fee and grant program by one year, increases the fertilizer inspection fee, eliminates MDA's authority to raise and lower the inspection fee, and requires the Minnesota Pollution Control Agency (MPCA) to assess PFAS levels in sewage biosolids that are applied to agricultural land and report findings and recommendations to the legislature.

## Summary

Section	Description
1	<b>Diammonium phosphate (DAP).</b> Defines this term for purposes of state fertilizer law as a fertilizer that contains 18 percent total nitrogen and 46 percent available phosphorous.
2	<b>Liquid 28.</b> Defines this term for purposes of state fertilizer law as a liquid nitrogen solution that contains 28 percent total nitrogen.
3	<b>Liquid 32.</b> Defines this term for purposes of state fertilizer law as a liquid nitrogen solution that contains 32 percent total nitrogen.

Section	Description
4	<b>Monoammonium phosphate (MAP).</b> Defines this term for purposes of state fertilizer law as a fertilizer that contains 10-11 percent total nitrogen and 48-55 percent available phosphorous.
5	<b>Nitrogen fertilizer.</b> Defines this term for purposes of state fertilizer law as any fertilizer, soil amendment, or plant amendment comprised partially or totally of nitrogen, including but not limited to anhydrous ammonia (which is currently defined in chapter 18C), urea, liquid 28, liquid 32, diammonium phosphate, and monoammonium phosphate.
6	<b>Urea.</b> Defines this term for purposes of state fertilizer law as a white crystalline solid that contains 46 percent nitrogen.
7	<b>Payment of inspection fee.</b> Extends the expiring 40 cent/ton Agricultural Fertilizer Research and Education Council (AFREC) fee for one additional year (i.e., to June 30, 2025). Eliminates MDA's authority to set the fertilizer inspection fee within a specified range and provides that this fee is 44 cents/ton through fiscal year 2025, and 70 cents/ton each year thereafter.
8	<b>Private well drinking-water fee.</b> Establishes a new private well drinking water fee, to be assessed by MDA in fiscal years 2024 and 2025 at 99 cents/ton of nitrogen that is sold or distributed in this state as a component of anhydrous ammonia, urea, or any other nitrogen fertilizer product. Requires MDA to deposit the revenue from this new fee in a new dedicated account. Increases the drinking water fee to \$1.39 cents/ton in fiscal year 2026 only for anhydrous ammonia. Provides that beginning in fiscal year 2027, if nitrogen sales increase year-over-year, MDA must increase the drinking water fee by a commensurate amount.
9	<b>Expiration.</b> Coinciding with the AFREC fee extension in section 7, this section would extend by one year the statute governing the AFREC council.
10	<b>Expiration.</b> Coinciding with the AFREC fee extension in section 7, this section would extend by one year the statute governing the AFREC fertilizer research grant program.

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11	<p><b>Expiration.</b></p> <p>Coinciding with the AFREC fee extension in section 7, this section would extend by one year the statute establishing the dedicated AFREC account and appropriation.</p>
12	<p><b>Private well drinking-water assistance program.</b></p> <p>Appropriates proceeds from the new drinking water fee to MDA to award aid payments to community health boards located in the following karst-region counties: Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, and Winona. MDA would award each health board a share of the total available funding, with each board's share based on the number of private drinking-water wells with nitrate in excess of 10 mg/L. (10 mg/L is the health risk limit for nitrate-nitrogen in drinking water, as promulgated by the Minnesota Department of Health). Requires community health boards to use this new state aid to assist area residents in obtaining safe drinking water (defined as water for drinking, cooking, and oral hygiene that has no more than 10 mg/L nitrate), prioritizing pregnant women and children under the age of 1. Requires MDA to report annual outcomes and any corresponding recommendations to the legislature.</p>
13	<p><b>Enforcement required.</b></p> <p>Specifies that MDA may use the administrative, civil, and criminal enforcement authorities provided under Minnesota Statutes, chapter 18D, to enforce MDA's Groundwater Protection Rule. Adopted in 2019, the Groundwater Protection Rule restricts the application of nitrogen fertilizer in the fall and on frozen soils in vulnerable groundwater areas and establishes a process to address elevated nitrate levels in public water supply wells.</p>
14	<p><b>Analysis and report required; PFAS in biosolid agricultural fertilizer.</b></p> <p>Requires the MPCA to require sewer sludge prepared for use as fertilizer on agricultural land to be analyzed for the presence of PFAS. Requires the MPCA to report results and recommendations to the legislature by February 1, 2025. Specifies that the MPCA's recommendations must include appropriate PFAS ceiling concentrations and cumulative loading rates for sewer sludge that is applied to agricultural land.</p>
15	<p><b>Effective date.</b></p> <p>Provides that this act would take effect the day following final enactment.</p>



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