

1.1 Senator moves to amend H.F. No. 2433 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 PREKINDERGARTEN THROUGH GRADE 12 EDUCATION

1.5 Section 1. Minnesota Statutes 2024, section 122A.20, subdivision 1, is amended to read:

1.6 Subdivision 1. **Grounds for revocation, suspension, or denial.** (a) The Professional
1.7 Educator Licensing and Standards Board or Board of School Administrators, whichever
1.8 has jurisdiction over a teacher's licensure, may, on the written complaint of the school board
1.9 employing a teacher, a teacher organization, or any other interested person, refuse to issue,
1.10 refuse to renew, suspend, or revoke a teacher's license to teach for any of the following
1.11 causes:

- 1.12 (1) immoral character or conduct;
- 1.13 (2) failure, without justifiable cause, to teach for the term of the teacher's contract;
- 1.14 (3) gross inefficiency or willful neglect of duty;
- 1.15 (4) failure to meet licensure requirements; or
- 1.16 (5) fraud or misrepresentation in obtaining a license.

1.17 The written complaint must specify the nature and character of the charges.

1.18 (b) The Professional Educator Licensing and Standards Board or Board of School
1.19 Administrators, whichever has jurisdiction over a teacher's licensure, shall refuse to issue,
1.20 refuse to renew, or automatically revoke a teacher's license to teach without the right to a
1.21 hearing upon receiving a certified copy of a conviction showing that the teacher has been
1.22 convicted of child abuse, as defined in section 609.185, sex trafficking in the first degree
1.23 under section 609.322, subdivision 1, sex trafficking in the second degree under section
1.24 609.322, subdivision 1a, engaging in hiring, or agreeing to hire a minor to engage in
1.25 prostitution under section 609.324, subdivision 1, sexual abuse under section 609.342,
1.26 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 617.23, subdivision 3, solicitation
1.27 of children to engage in sexual conduct or communication of sexually explicit materials to
1.28 children, or grooming under section 609.352, interference with privacy under section 609.746
1.29 or harassment or stalking under section 609.749 and the victim was a minor, using minors
1.30 in a sexual performance under section 617.246, possessing pornographic works involving
1.31 a minor under section 617.247, or any other offense not listed in this paragraph that requires
1.32 the person to register as a predatory offender under section 243.166, or a crime under a

2.1 similar law of another state or the United States. The board shall send notice of this licensing
2.2 action to the district in which the teacher is currently employed.

2.3 (c) A person whose license to teach has been revoked, not issued, or not renewed under
2.4 paragraph (b), may petition the board to reconsider the licensing action if the person's
2.5 conviction for child abuse or sexual abuse is reversed by a final decision of the court of
2.6 appeals or the supreme court or if the person has received a pardon for the offense. The
2.7 petitioner shall attach a certified copy of the appellate court's final decision or the pardon
2.8 to the petition. Upon receiving the petition and its attachment, the board shall schedule and
2.9 hold a disciplinary hearing on the matter under section 214.10, subdivision 2, unless the
2.10 petitioner waives the right to a hearing. If the board finds that, notwithstanding the reversal
2.11 of the petitioner's criminal conviction or the issuance of a pardon, the petitioner is disqualified
2.12 from teaching under paragraph (a), clause (1), the board shall affirm its previous licensing
2.13 action. If the board finds that the petitioner is not disqualified from teaching under paragraph
2.14 (a), clause (1), it shall reverse its previous licensing action.

2.15 (d) For purposes of this subdivision, the Professional Educator Licensing and Standards
2.16 Board is delegated the authority to suspend or revoke coaching licenses.

2.17 Sec. 2. Minnesota Statutes 2024, section 122A.20, subdivision 2, is amended to read:

2.18 Subd. 2. **Mandatory reporting.** (a) A school board, superintendent, charter school
2.19 board, charter school executive director, or charter school authorizer must report to the
2.20 Professional Educator Licensing and Standards Board, the Board of School Administrators,
2.21 or the Board of Trustees of the Minnesota State Colleges and Universities, whichever has
2.22 jurisdiction over the teacher's or administrator's license, when its teacher or administrator
2.23 is discharged or resigns from employment after a charge is filed with the school board under
2.24 section 122A.41, subdivisions 6, paragraph (a), clauses (1), (2), and (3), and 7, or after
2.25 charges are filed that are grounds for discharge under section 122A.40, subdivision 13,
2.26 paragraph (a), clauses (1) to (5), or when a teacher or administrator is suspended or resigns
2.27 while an investigation is pending under section 122A.40, subdivision 13, paragraph (a),
2.28 clauses (1) to (5), or chapter 260E; or 122A.41, subdivisions 6, clauses (1), (2), and (3),
2.29 and 7; or when a teacher or administrator is suspended without an investigation under section
2.30 122A.41, subdivisions 6, paragraph (a), clauses (1), (2), and (3), and 7, or chapter 260E.
2.31 The report must be made to the appropriate licensing board within ten days after the
2.32 discharge, suspension, or resignation has occurred. The licensing board to which the report
2.33 is made must investigate the report for violation of subdivision 1 and the reporting board,
2.34 administrator, or authorizer must cooperate in the investigation. Notwithstanding any

3.1 provision in chapter 13 or any law to the contrary, upon written request from the licensing
3.2 board having jurisdiction over the license, a board, charter school, authorizer, charter school
3.3 executive director, or school superintendent shall provide the licensing board with information
3.4 about the teacher or administrator from the district's files, any termination or disciplinary
3.5 proceeding, any settlement or compromise, or any investigative file. Upon written request
3.6 from the appropriate licensing board, a board or school superintendent may, at the discretion
3.7 of the board or school superintendent, solicit the written consent of a student and the student's
3.8 parent to provide the licensing board with information that may aid the licensing board in
3.9 its investigation and license proceedings. The licensing board's request need not identify a
3.10 student or parent by name. The consent of the student and the student's parent must meet
3.11 the requirements of chapter 13 and Code of Federal Regulations, title 34, section 99.30.
3.12 The licensing board may provide a consent form to the district. Any data transmitted to any
3.13 board under this section is private data under section 13.02, subdivision 12, notwithstanding
3.14 any other classification of the data when it was in the possession of any other agency.

3.15 (b) The licensing board to which a report is made must transmit to the Attorney General's
3.16 Office any record or data it receives under this subdivision for the sole purpose of having
3.17 the Attorney General's Office assist that board in its investigation. When the Attorney
3.18 General's Office has informed an employee of the appropriate licensing board in writing
3.19 that grounds exist to suspend or revoke a teacher's license to teach, that licensing board
3.20 must consider suspending or revoking or decline to suspend or revoke the teacher's or
3.21 administrator's license within 45 days of receiving a stipulation executed by the teacher or
3.22 administrator under investigation or a recommendation from an administrative law judge
3.23 that disciplinary action be taken.

3.24 (c) The Professional Educator Licensing and Standards Board and Board of School
3.25 Administrators must report to the appropriate law enforcement authorities a revocation,
3.26 suspension, or agreement involving a loss of license, relating to a teacher or administrator's
3.27 inappropriate sexual conduct with a minor. For purposes of this section, "law enforcement
3.28 authority" means a police department, county sheriff, or Tribal police department. A report
3.29 by the Professional Educator Licensing and Standards Board to appropriate law enforcement
3.30 authorities does not diminish, modify, or otherwise affect the responsibilities of a school
3.31 board or any person mandated to report abuse under chapter 260E.

3.32 (d) A police department or county sheriff must notify the appropriate licensing board
3.33 when a teacher is criminally charged with an offense listed in subdivision 1, paragraph (b),
3.34 or is charged with any other offense not listed in this section that requires the person to
3.35 register as a predatory offender under section 243.166.

4.1 Sec. 3. Minnesota Statutes 2025 Supplement, section 126C.10, subdivision 3, is amended
4.2 to read:

4.3 Subd. 3. **Compensatory education revenue.** (a) A district's compensatory revenue
4.4 equals the sum of its compensatory revenue for each building in the district and the amounts
4.5 designated under Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
4.6 8, for fiscal year 2017. Revenue shall be paid to the district and must be allocated according
4.7 to section 126C.15, subdivision 2.

4.8 (b) For fiscal years 2024, 2025, and 2026, the compensatory education revenue for each
4.9 building in the district equals the formula allowance minus \$839 times the compensation
4.10 revenue pupil units computed according to section 126C.05, subdivision 3.

4.11 (c) For fiscal year 2027 and later, the compensatory education revenue for each building
4.12 in the district equals its compensatory pupils multiplied by the building compensatory
4.13 allowance.

4.14 (d) When the district contracting with an alternative program under section 124D.69
4.15 changes prior to the start of a school year, the compensatory revenue generated by pupils
4.16 attending the program shall be paid to the district contracting with the alternative program
4.17 for the current school year, and shall not be paid to the district contracting with the alternative
4.18 program for the prior school year.

4.19 (e) When the fiscal agent district for an area learning center changes prior to the start of
4.20 a school year, the compensatory revenue shall be paid to the fiscal agent district for the
4.21 current school year, and shall not be paid to the fiscal agent district for the prior school year.

4.22 (f) Notwithstanding paragraph ~~(e)~~ (b), for fiscal year 2026, if the sum of the amounts
4.23 calculated under paragraph ~~(e)~~ (b) is less than \$838,947,000, the commissioner must
4.24 proportionately increase the revenue to each building until the total statewide revenue
4.25 calculated for each building equals \$838,947,000.

4.26 (g) Notwithstanding paragraph (c), for fiscal year 2027 and later, if the sum of the
4.27 amounts calculated under paragraph (c) is less than \$857,152,000, the commissioner must
4.28 proportionately increase the revenue to each building until the total statewide revenue
4.29 calculated for each building equals \$857,152,000.

4.30 (h) Notwithstanding paragraph (c), for fiscal year 2027 only, the compensatory education
4.31 revenue for each building equals the greater of:

4.32 (1) the amount calculated for the building under paragraphs (c) and (g); or

4.33 (2) the building minimum amount calculated under paragraph (i).

- 5.1 (i) For purposes of paragraph (h), the building minimum amount equals the product of:
5.2 (1) the compensatory education revenue for the building for fiscal year 2026;
5.3 (2) the lesser of one or the ratio of the number of pupils enrolled in the building on
5.4 October 1, 2025, to the number of pupils enrolled in the building on October 1, 2024; and
5.5 (3) 0.7746.

5.6 Sec. 4. Minnesota Statutes 2024, section 126C.10, subdivision 14, is amended to read:

5.7 Subd. 14. **Uses of total operating capital revenue.** Total operating capital revenue may
5.8 be used only for the following purposes:

5.9 (1) to acquire land for school purposes;

5.10 (2) to acquire or construct buildings for school purposes;

5.11 (3) to rent or lease buildings, including the costs of building repair or improvement that
5.12 are part of a lease agreement;

5.13 (4) to improve and repair school sites and buildings, and equip or reequip school buildings
5.14 with permanent attached fixtures, including library media centers and gender-neutral
5.15 single-user restrooms, locker room privacy stalls, or other spaces with privacy features,
5.16 including single-user shower stalls, changing stalls, or other single-user facilities;

5.17 (5) for a surplus school building that is used substantially for a public nonschool purpose;

5.18 (6) to eliminate barriers or increase access to school buildings by individuals with a
5.19 disability;

5.20 (7) to bring school buildings into compliance with the State Fire Code adopted according
5.21 to chapter 299F;

5.22 (8) to remove asbestos from school buildings, encapsulate asbestos, or make
5.23 asbestos-related repairs;

5.24 (9) to clean up and dispose of polychlorinated biphenyls found in school buildings;

5.25 (10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or
5.26 transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section
5.27 296A.01;

5.28 (11) for energy audits for school buildings and to modify buildings if the audit indicates
5.29 the cost of the modification can be recovered within ten years;

5.30 (12) to improve buildings that are leased according to section 123B.51, subdivision 4;

6.1 (13) to pay special assessments levied against school property but not to pay assessments
6.2 for service charges;

6.3 (14) to pay principal and interest on state loans for energy conservation according to
6.4 section 216C.37 or loans made under the Douglas J. Johnson Economic Protection Trust
6.5 Fund Act according to sections 298.292 to 298.297;

6.6 (15) to purchase or lease interactive telecommunications equipment;

6.7 (16) by board resolution, to transfer money into the debt redemption fund to: (i) pay the
6.8 amounts needed to meet, when due, principal and interest payments on certain obligations
6.9 issued according to chapter 475; or (ii) pay principal and interest on debt service loans or
6.10 capital loans according to section 126C.70;

6.11 (17) to pay operating capital-related assessments of any entity formed under a cooperative
6.12 agreement between two or more districts;

6.13 (18) to purchase or lease computers and related hardware, software, and annual licensing
6.14 fees, copying machines, telecommunications equipment, and other noninstructional
6.15 equipment;

6.16 (19) to purchase or lease assistive technology or equipment for instructional programs;

6.17 (20) to purchase textbooks as defined in section 123B.41, subdivision 2;

6.18 (21) to purchase new and replacement library media resources or technology;

6.19 (22) to lease or purchase vehicles;

6.20 (23) to purchase or lease telecommunications equipment, computers, and related
6.21 equipment for integrated information management systems for:

6.22 (i) managing and reporting learner outcome information for all students under a
6.23 results-oriented graduation rule;

6.24 (ii) managing student assessment, services, and achievement information required for
6.25 students with individualized education programs; and

6.26 (iii) other classroom information management needs;

6.27 (24) to pay personnel costs directly related to the acquisition, operation, and maintenance
6.28 of telecommunications systems, computers, related equipment, and network and applications
6.29 software;

6.30 (25) to pay the costs directly associated with closing a school facility, including moving
6.31 and storage costs;

7.1 (26) to pay the costs of supplies and equipment necessary to provide access to menstrual
 7.2 products at no charge to students in restrooms and as otherwise needed in school facilities;
 7.3 ~~and~~

7.4 (27) to pay the costs of the opiate antagonists required under section 121A.224-; and

7.5 (28) to pay utility service costs.

7.6 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2027 and later.

7.7 Sec. 5. Minnesota Statutes 2025 Supplement, section 126C.15, subdivision 2, is amended
 7.8 to read:

7.9 Subd. 2. **Building allocation.** (a) A district or cooperative must allocate at least 80
 7.10 percent of its compensatory revenue to each school building in the district or cooperative
 7.11 where the children who have generated the revenue are served unless the school district or
 7.12 cooperative has received permission under Laws 2005, First Special Session chapter 5,
 7.13 article 1, section 50, to allocate compensatory revenue according to student performance
 7.14 measures developed by the school board.

7.15 (b) A district or cooperative may allocate no more than 20 percent of the amount of
 7.16 compensatory revenue that the district receives to school sites according to a plan adopted
 7.17 by the school board. The money reallocated under this paragraph must be spent for the
 7.18 purposes listed in subdivision 1, but may be spent on students in any grade, including
 7.19 students attending school readiness or other prekindergarten programs.

7.20 (c) For the purposes of this section and section 126C.05, subdivision 3, "building" means
 7.21 education site as defined in section 123B.04, subdivision 1.

7.22 (d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue generated
 7.23 by students served at a cooperative unit shall be paid to the cooperative unit.

7.24 (e) A district or cooperative with school building openings, school building closings,
 7.25 changes in attendance area boundaries, or other changes in programs or student demographics
 7.26 between the prior year and the current year may reallocate compensatory revenue among
 7.27 sites to reflect these changes. A district or cooperative must report to the department any
 7.28 adjustments it makes according to this paragraph and the department must use the adjusted
 7.29 compensatory revenue allocations in preparing the report required under section 123B.76,
 7.30 subdivision 3, paragraph (c).

7.31 (f) For fiscal years 2026 ~~and~~, 2027, and 2028 only, notwithstanding the percentages
 7.32 specified in paragraphs (a) and (b), a district may allocate up to 40 percent of the amount

8.1 of compensatory revenue that the district receives to school sites according to a plan adopted
8.2 by the school board, consistent with the purposes listed in subdivision 1.

8.3 Sec. 6. Minnesota Statutes 2025 Supplement, section 260E.065, is amended by adding a
8.4 subdivision to read:

8.5 **Subd. 4. Commissioner of children, youth, and families; education-related mandated**
8.6 **reporter training module on grooming.** (a) By August 1, 2027, the commissioner of
8.7 children, youth, and families must update the existing mandated reporter training that is
8.8 specifically applicable to professionals or professionals' delegates engaged in education, to
8.9 include but not be limited to:

8.10 (1) the requirement to report allegations of maltreatment involving students ages 18
8.11 through 21, including students receiving special education services, up to and including
8.12 graduation and the issuance of a secondary or high school diploma; and

8.13 (2) addressing grooming and threatened sexual abuse, including the duty to report
8.14 grooming as maltreatment under section 260E.06, and how to identify the signs of grooming.

8.15 (b) The commissioner must consult with the Department of Education while updating
8.16 the training.

8.17 Sec. 7. Minnesota Statutes 2024, section 260E.15, is amended to read:

8.18 **260E.15 SCREENING GUIDELINES.**

8.19 (a) Child protection staff, supervisors, and others involved in child protection screening
8.20 shall follow the guidance provided in the maltreatment screening guidelines issued by the
8.21 commissioner and, when notified by the commissioner, shall immediately implement updated
8.22 procedures and protocols.

8.23 (b) Any modification to the screening guidelines must be preapproved by the
8.24 commissioner and must not be less protective of children than is mandated by statute. The
8.25 county agency must consult with the county attorney before proposing modifications to the
8.26 commissioner. The guidelines may provide additional protection for children but must not
8.27 limit reports that are screened in or provide additional limits on consideration of reports
8.28 that were screened out in making a screening determination.

8.29 (c) The screening guidelines issued by the commissioner must not limit an agency's
8.30 ability to screen in and investigate a report of alleged maltreatment that occurred more than
8.31 three years prior to the date of the report.

9.1 Sec. 8. Minnesota Statutes 2025 Supplement, section 260E.20, subdivision 1, is amended
9.2 to read:

9.3 Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to
9.4 prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child,
9.5 and supporting and preserving family life whenever possible.

9.6 (b) If the report alleges a violation of a criminal statute involving maltreatment or child
9.7 endangerment under section 609.378, the local law enforcement agency and local welfare
9.8 agency shall coordinate the planning and execution of their respective investigation and
9.9 assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews.
9.10 Each agency shall prepare a separate report of the results of the agency's investigation or
9.11 assessment.

9.12 (c) In cases of alleged child maltreatment resulting in death, the local agency may rely
9.13 on the fact-finding efforts of a law enforcement investigation to make a determination of
9.14 whether or not maltreatment occurred.

9.15 (d) When necessary, the local welfare agency shall seek authority to remove the child
9.16 from the custody of a parent, guardian, or adult with whom the child is living.

9.17 (e) In performing any of these duties, the local welfare agency shall maintain an
9.18 appropriate record.

9.19 (f) In conducting a family assessment, noncaregiver human trafficking assessment, or
9.20 investigation, the local welfare agency shall gather information on the existence of substance
9.21 abuse and domestic violence.

9.22 (g) If the family assessment, noncaregiver human trafficking assessment, or investigation
9.23 indicates there is a potential for abuse of alcohol or other drugs by the parent, guardian, or
9.24 person responsible for the child's care, the local welfare agency must coordinate a
9.25 comprehensive assessment pursuant to section 245G.05.

9.26 (h) The agency may use either a family assessment or investigation to determine whether
9.27 the child is safe when responding to a report resulting from birth match data under section
9.28 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined
9.29 to be safe, the agency shall consult with the county attorney to determine the appropriateness
9.30 of filing a petition alleging the child is in need of protection or services under section
9.31 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is
9.32 determined not to be safe, the agency and the county attorney shall take appropriate action
9.33 as required under section 260C.503, subdivision 2.

10.1 (i) When conducting any family assessment, noncaregiver human trafficking assessment,
10.2 or investigation, the agency shall ask the child, if age appropriate; parents; extended family;
10.3 and reporter about the child's heritage, including the child's Tribal lineage pursuant to section
10.4 260.761 and the child's race, culture, and ethnicity pursuant to section 260.63, subdivision
10.5 10.

10.6 (j) Nothing in this chapter shall prevent a local welfare agency or local law enforcement
10.7 agency from investigating alleged maltreatment that occurred more than three years prior
10.8 to the date of the maltreatment report.

10.9 Sec. 9. Minnesota Statutes 2024, section 260E.28, subdivision 1, is amended to read:

10.10 Subdivision 1. **Immediate investigation for alleged maltreatment in a facility.** (a)
10.11 The commissioner of human services; children, youth, and families; health; or education,
10.12 whichever is responsible for investigating the report, shall immediately investigate if the
10.13 report alleges that:

10.14 (1) a child who is in the care of a facility as defined in section 260E.03 is the victim of
10.15 maltreatment in a facility by an individual in that facility or has been the victim of
10.16 maltreatment in a facility by an individual in that facility within the three years preceding
10.17 the report; or

10.18 (2) a child is the victim of maltreatment in a facility by an individual in a facility defined
10.19 in section 260E.03, subdivision 6, while in the care of that facility within the three years
10.20 preceding the report.

10.21 (b) The commissioner of the agency responsible for investigating the report shall arrange
10.22 for the transmittal to the commissioner of reports received by local agencies and may delegate
10.23 to a local welfare agency the duty to investigate reports. The commissioner of the agency
10.24 responsible for investigating the report or local welfare agency may interview any children
10.25 who are or have been in the care of a facility under investigation and the children's parents,
10.26 guardians, or legal custodians.

10.27 (c) In conducting an investigation under this section, the commissioner has the powers
10.28 and duties specified for a local welfare agency under this chapter.

10.29 (d) Nothing in this chapter shall prevent the agency responsible for screening and
10.30 investigating allegations of maltreatment from investigating alleged maltreatment that
10.31 occurred more than three years prior to the date of the maltreatment report.

11.1 Sec. 10. Minnesota Statutes 2024, section 471.6161, is amended by adding a subdivision
11.2 to read:

11.3 Subd. 9. School districts and charter schools; reports. (a) For purposes of this
11.4 subdivision, an entity offering or providing group health insurance includes both health
11.5 plan companies and third-party administrators of health plans.

11.6 (b) By July 15, 2026, and July 1 each year thereafter, the Legislative Budget Office must
11.7 send an annual survey regarding health insurance costs to all school districts and charter
11.8 schools in this state.

11.9 (c) The annual survey must be completed by the school district or charter school using
11.10 data from its most recent plan year, be returned to the Legislative Budget Office by September
11.11 1 of each year, and provide the following information about school employees who meet
11.12 the definition of public employee under section 179A.03, subdivision 14:

11.13 (1) the total number of salaried employees;

11.14 (2) the total number of nonsalaried or hourly employees;

11.15 (3) for those participating in the group health insurance offered by the school district or
11.16 charter school, the total number of people, as of May 1, in each of the following categories:

11.17 (i) salaried employees;

11.18 (ii) nonsalaried or hourly employees; and

11.19 (iii) retirees and any other persons who continue to receive coverage through the school
11.20 district's or charter school's health plan after separation from employment;

11.21 (4) the total number of employees not participating in the health plan;

11.22 (5) the total number of insured persons covered by the health plan;

11.23 (6) the total dollar amount the school district or charter school paid in health insurance
11.24 premiums on behalf of all employees, not including employee contributions transmitted to
11.25 an entity providing group health insurance coverage or payments made on behalf of former
11.26 employees;

11.27 (7) if a school district or charter school funds an individual coverage health reimbursement
11.28 arrangement, the total amount contributed by the school district or charter school;

11.29 (8) the total amount employees paid in health insurance premiums;

11.30 (9) an accounting of all forms of compensation, either direct or indirect, including but
11.31 not limited to fees, commissions, incentives, or rewards of any kind paid to a broker or

- 12.1 agent, regardless of whether it was billed as a flat fee, or percentage of premium and whether
12.2 paid directly by the school district or charter school or through the entity offering group
12.3 health insurance;
- 12.4 (10) the name of any entity providing group health insurance the school district or charter
12.5 school has contracted with and the expiration date of the contract;
- 12.6 (11) the date range of the most recent plan year;
- 12.7 (12) for each type of health plan offered to employees of a school district or charter
12.8 school:
- 12.9 (i) the name of the plan and its actuarial value, using the minimum value calculator
12.10 information required in bid proposals under section 471.6161, subdivision 8, paragraph (d),
12.11 clause (2), and described in the Code of Federal Regulations, title 45, section 156.145. The
12.12 plan data must also delineate amounts for single, family, and two-party plans, if offered;
- 12.13 (ii) the monthly contribution by the school district or charter school for each employee
12.14 group per plan, including contributions to individual coverage health reimbursement
12.15 arrangements;
- 12.16 (iii) the amount per month an employee must pay in health insurance premiums for the
12.17 plan; and
- 12.18 (iv) the plan design for each type of plan including:
- 12.19 (A) in-network deductibles;
- 12.20 (B) in-network out-of-pocket limits;
- 12.21 (C) out-of-network limits;
- 12.22 (D) co-payment;
- 12.23 (E) the employee's share of coinsurance; and
- 12.24 (F) the prescription annual out of pocket maximum, if separate from subitem (B);
- 12.25 (13) the dollar or percentage cost for all prescription levels, commonly generic or tier
12.26 1, formulary or tier 2, and nonformulary or tier 3;
- 12.27 (14) the total amount of annual contributions, per employee, paid by the school district
12.28 or charter school to an individual coverage health reimbursement arrangement or health
12.29 savings account, excluding amounts contributed solely to a health care retirement account;
- 12.30 (15) the total amount assessed by the entity providing group health insurance as an
12.31 administrative fee and the rate of the fee assessed;

13.1 (16) if a school district is self-insured, the total amount that is in a district set aside health
 13.2 insurance reserve account; and

13.3 (17) any additional items as determined by the Legislative Budget Office.

13.4 (d) The Legislative Budget Office must compile information from the surveys described
 13.5 above and provide a report by December 1 of each year to the chairs and ranking minority
 13.6 members of the legislative committees with jurisdiction over education and health insurance.
 13.7 The Legislative Budget Office must post the report, including the executive summary and
 13.8 all underlying data received from school districts and charter schools, on its public website.
 13.9 Data posted on the Legislative Budget Office's website must be in a standardized format.

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

13.11 Sec. 11. Minnesota Statutes 2024, section 609.352, subdivision 1, is amended to read:

13.12 Subdivision 1. **Definitions.** As used in this section:

13.13 (a) "child" means a person 15 years of age or younger;

13.14 (b) "pattern" means two or more instances of conduct;

13.15 ~~(b)~~ (c) "sexual conduct" means sexual contact of the individual's primary genital area,
 13.16 sexual penetration as defined in section 609.341, or sexual performance as defined in section
 13.17 617.246; and

13.18 ~~(c)~~ (d) "solicit" means commanding, entreating, or attempting to persuade a specific
 13.19 person in person, by telephone, by letter, or by computerized or other electronic means.

13.20 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
 13.21 committed on or after that date.

13.22 Sec. 12. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
 13.23 to read:

13.24 Subd. 2c. **Grooming.** (a) A person 18 years of age or older commits the felony offense
 13.25 of grooming, and may be sentenced as provided in subdivision 4, if the person:

13.26 (1) expresses the desire or intent to engage in sexual conduct with a child; and

13.27 (2) engages in a deliberate pattern of conduct to methodically develop a false trusting
 13.28 relationship with the child that is intended to strategically manipulate the child to engage
 13.29 in sexual conduct with the person at a future time, regardless of whether any sexual conduct
 13.30 occurs.

14.1 (b) For purposes of this subdivision, a deliberate pattern of conduct may include but is
 14.2 not limited to:

14.3 (1) communications or conversations sharing desires about sexual intimacy or sexual
 14.4 contact between the person and the child;

14.5 (2) normalizing sexualized physical conduct or attempts to initiate such conduct;

14.6 (3) watching the child undress or appearing undressed in front of the child; or

14.7 (4) use of threats or control in an attempt to ensure secrecy or compliance from the child.

14.8 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
 14.9 committed on or after that date.

14.10 Sec. 13. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
 14.11 to read:

14.12 Subd. 2d. **Violations by persons in positions of authority.** A person who commits any
 14.13 of the acts described in subdivisions 2 through 2c is guilty of a felony if:

14.14 (1) the person is in a current or recent position of authority, as defined in section 609.341,
 14.15 subdivision 10, over the victim;

14.16 (2) the person is more than 36 months older than the victim; and

14.17 (3) the victim is under the age of 18 years.

14.18 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
 14.19 committed on or after that date.

14.20 Sec. 14. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
 14.21 to read:

14.22 Subd. 2e. **School violations.** A person who commits any of the acts described in
 14.23 subdivisions 2 through 2c is guilty of a felony if:

14.24 (1) the person is a licensed educator employed or contracted to provide service for an
 14.25 elementary, middle, or secondary school; and

14.26 (2) the victim, regardless of age, is enrolled as a student at the school.

14.27 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
 14.28 committed on or after that date.

15.1 Sec. 15. Minnesota Statutes 2024, section 609.352, subdivision 4, is amended to read:

15.2 Subd. 4. **Penalty.** A person convicted under subdivision 2 ~~or~~, 2a, 2c, 2d, or 2e is guilty
 15.3 of a felony and may be sentenced to imprisonment for not more than five years, or to payment
 15.4 of a fine of not more than \$10,000, or both.

15.5 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
 15.6 committed on or after that date.

15.7 Sec. 16. Laws 2023, chapter 55, article 8, section 19, subdivision 5, as amended by Laws
 15.8 2024, chapter 115, article 8, section 4, is amended to read:

15.9 Subd. 5. **Grants for gender-neutral single-user restrooms.** (a) For grants to school
 15.10 districts for remodeling, constructing, or repurposing space for gender-neutral single-user
 15.11 restrooms:

15.12 \$ 1,000,000 2024

15.13 \$ 1,000,000 2025

15.14 (b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24,
 15.15 subdivision 2, may apply for a grant of not more than \$75,000 per site under this subdivision
 15.16 in the form and manner specified by the commissioner. The commissioner must award at
 15.17 least one grant under this subdivision to Independent School District No. 709, Duluth, for
 15.18 a demonstration grant for a project awaiting construction.

15.19 (c) The commissioner must ensure that grants are awarded to schools to reflect the
 15.20 geographic diversity of the state.

15.21 (d) Up to \$75,000 each year is available for grant administration and monitoring.

15.22 (e) By February 1 of each year, the commissioner must annually report to the committees
 15.23 of the legislature with jurisdiction over education on the number of grants that were awarded
 15.24 each year and the number of grant applications that were unfunded during that year.

15.25 (f) Any balance in the first year does not cancel but is available in the second year.

15.26 (g) These appropriations are available until June 30, 2029.

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

16.1 Sec. 17. Laws 2025, First Special Session chapter 10, article 8, section 18, subdivision 5,
16.2 is amended to read:

16.3 Subd. 5. **Grants for gender-neutral single-user restrooms.** (a) For grants to school
16.4 districts for remodeling, constructing, or repurposing space for gender-neutral single-user
16.5 restrooms:

16.6 \$ 1,000,000 2026

16.7 \$ 1,000,000 2027

16.8 (b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24,
16.9 subdivision 2, may apply for a grant of not more than \$75,000 per site under this subdivision
16.10 in the form and manner specified by the commissioner.

16.11 (c) The commissioner must ensure that grants are awarded to schools to reflect the
16.12 geographic diversity of the state.

16.13 (d) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to \$75,000
16.14 of the appropriation in each year is available for grant administration.

16.15 (e) By February 1 of each even-numbered year, the commissioner must ~~annually~~ report
16.16 to the legislative committees with jurisdiction over kindergarten through grade 12 education
16.17 on the number of grants that were awarded each year and the number of grant applications
16.18 that were unfunded each year.

16.19 (f) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

16.20 (g) These appropriations are available until June 30, 2031.

16.21 Sec. 18. Laws 2025, First Special Session chapter 10, article 12, section 8, is amended to
16.22 read:

16.23 Sec. 8. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

16.24 Subdivision 1. **Department of Education.** The sums indicated in this section are
16.25 appropriated from the general fund to the Department of Education for the fiscal years
16.26 designated. Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

16.27 Subd. 2. **Department.** (a) For the Department of Education:

16.28 \$ 46,508,000 2026

16.29 ~~41,196,000~~

16.30 \$ 42,647,000 2027

16.31 Of these amounts:

- 17.1 (1) \$405,000 each year is for the Board of School Administrators;
- 17.2 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
17.3 section 120B.115;
- 17.4 (3) \$720,000 each year is for implementing Minnesota's Learning for English Academic
17.5 Proficiency and Success Act (LEAPS) under Laws 2014, chapter 272, article 1, as amended;
- 17.6 (4) \$480,000 each year is for the Department of Education's mainframe update;
- 17.7 (5) \$6,000,000 in fiscal year 2026 only is for legal fees and costs associated with: (i)
17.8 litigation in which the department, commissioner, or department employee operating in
17.9 their official capacity is the defendant, respondent, appellant, or relator; (ii) litigation initiated
17.10 by the department, commissioner, or department employee operating in their official capacity
17.11 to stop payment or recover funds in cases of alleged malfeasance or misuse; (iii) expenses
17.12 for required administrative legal activities, including data practices operations and appeals
17.13 from administrative decisions; and (iv) legal staff required for clauses (i), (ii), and (iii);
- 17.14 (6) \$2,359,000 each year is for modernizing district data submissions;
- 17.15 (7) \$573,000 each year is for engagement and rulemaking related to Specific Learning
17.16 Disability;
- 17.17 (8) \$2,000,000 each year is for the Office of the Inspector General established under
17.18 Minnesota Statutes, section 127A.21;
- 17.19 (9) \$800,000 each year is for audit and internal control resources;
- 17.20 (10) \$175,000 each year is for administrative expenses for unemployment aid, and, in
17.21 consultation with the Department of Employment and Economic Development, guidance
17.22 to educational institutions eligible for reimbursement under Minnesota Statutes 2024, section
17.23 124D.995, including written guidance for school employees on eligibility for unemployment
17.24 benefits between academic terms;
- 17.25 (11) \$550,000 each year is for General Counsel and Inspector General staff and case
17.26 management and fiscal analysis technology to support program compliance and integrity;
17.27 ~~and~~
- 17.28 (12) \$572,000 each year is for administration of the Summer Electronic Benefits Transfer
17.29 Program; and
- 17.30 (13) \$1,451,000 in fiscal year 2027 only is for increasing the capacity of the student
17.31 maltreatment program. The base for the allocation under this clause is \$1,441,000 in fiscal
17.32 year 2028 and \$1,442,000 in fiscal year 2029 and later.

18.1 (b) None of the amounts appropriated under this subdivision may be used for Minnesota's
18.2 Washington, D.C., office.

18.3 (c) The expenditures of federal grants and aids as shown in the biennial budget document
18.4 and its supplements are approved and appropriated and must be spent as indicated.

18.5 (d) The base for fiscal year 2028 ~~and later~~ is ~~\$41,326,000~~ \$42,767,000. The base for
18.6 fiscal year 2029 and later is \$42,768,000.

18.7 **Sec. 19. BASE ADJUSTMENT; DEPARTMENT OF CORRECTIONS.**

18.8 The commissioner of management and budget must increase the total budget base
18.9 established in law for incarceration and prerelease services at the Department of Corrections
18.10 by \$13,000 for fiscal year 2028 and by \$35,000 for fiscal year 2029 and later for bed costs
18.11 related to criminal grooming offenses.

18.12 **Sec. 20. APPROPRIATION; DEPARTMENT OF EDUCATION.**

18.13 \$25,489,000 in fiscal year 2027 is appropriated from the general fund to the commissioner
18.14 of education for additional general education aid.

18.15 **Sec. 21. APPROPRIATION; LEGISLATIVE COORDINATING COMMISSION.**

18.16 \$18,000 in fiscal year 2026 and \$74,000 in fiscal year 2027 are appropriated from the
18.17 general fund to the Legislative Coordinating Commission for the Legislative Budget Office
18.18 to complete the annual report required by Minnesota Statutes, section 471.6161, subdivision
18.19 9. The base for this appropriation is \$36,000 in fiscal year 2028 and later.

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

18.21 **ARTICLE 2**

18.22 **HIGHER EDUCATION APPROPRIATIONS**

18.23 **Section 1. APPROPRIATION; OFFICE OF HIGHER EDUCATION.**

18.24 \$52,000,000 in fiscal year 2027 is appropriated from the general fund to the commissioner
18.25 of the Office of Higher Education for the state grant program under Minnesota Statutes,
18.26 section 136A.121. This appropriation is in addition to the appropriation in Laws 2025, First
18.27 Special Session chapter 5, article 1, section 2, subdivision 2. This is a onetime appropriation.

19.1 **ARTICLE 3**

19.2 **HIGHER EDUCATION POLICY**

19.3 Section 1. Minnesota Statutes 2025 Supplement, section 136A.69, subdivision 1, is
19.4 amended to read:

19.5 Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration fees
19.6 that are sufficient to recover, but do not exceed, its costs of administering the registration
19.7 program. At the end of each fiscal year, the office must review the total amount of registration
19.8 fees collected and the total costs of administering the registration program. The office shall
19.9 charge the fees listed in paragraphs (b) ~~to (d)~~ and (c) for new registrations.

19.10 (b) A new school must pay registration fees based on the institution's total full-time
19.11 equivalent enrollment in the following amounts:

19.12 (1) \$5,000 for institutions with 2,500 or fewer full-time equivalent enrollment;

19.13 (2) \$7,500 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

19.14 (3) \$10,000 for institutions with 5,001 to 7,500 full-time equivalent enrollment;

19.15 (4) \$15,000 for institutions with 7,501 to 10,000 full-time equivalent enrollment; and

19.16 (5) \$20,000 for institutions with 10,001 or greater full-time equivalent enrollment, and
19.17 for institutions with no data on the previous year's full-time equivalent enrollment.

19.18 Full-time equivalent enrollment is established using the previous year's full-time equivalent
19.19 enrollment as established in the United States Department of Education Integrated
19.20 Postsecondary Education Data System. If enrollment cannot be established using the United
19.21 States Department of Education Integrated Postsecondary Education Data System, the office
19.22 may establish an institution's full-time equivalent enrollment through verification of its
19.23 enrollment data submitted in accordance with section 136A.64, subdivision 1, clause (7).

19.24 (c) A new school must pay registration fees in an amount equal to the fee under paragraph
19.25 (b), plus fees for each nondegree program or degree as follows:

19.26 nondegree program \$250

19.27 degree program \$750

19.28 ~~(d) In addition to the fees under paragraphs (b) and (c), a fee of \$600 must be paid for~~
19.29 ~~an initial application that: (1) has had four revisions, corrections, amendment requests, or~~
19.30 ~~application reminders for the same application or registration requirement; or (2) cumulatively~~
19.31 ~~has had six revisions, corrections, amendment requests, or application reminders for the~~
19.32 ~~same license application and the school seeks to continue with the application process with~~

20.1 ~~additional application submissions. If this fee is paid, the school may submit two final~~
 20.2 ~~application submissions for review prior to application denial under section 136A.65,~~
 20.3 ~~subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications~~
 20.4 ~~initiated by the school before the submission of the application, initial interpretation questions~~
 20.5 ~~or inquiries from the office regarding a completed application, and initial requests from the~~
 20.6 ~~office for verification or validation of a completed application.~~

20.7 ~~(e)~~ (d) The annual renewal registration fee is based on an institution's total full-time
 20.8 equivalent enrollment in the following amounts:

20.9 (1) \$1,500 for institutions with 2,500 or fewer full-time equivalent enrollment;

20.10 (2) \$3,000 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

20.11 (3) \$5,000 for institutions with 5,001 to 10,000 full-time equivalent enrollment; and

20.12 (4) \$7,500 for institutions with 10,001 or greater full-time equivalent enrollment, and
 20.13 for institutions with no data on the previous year's full-time equivalent enrollment.

20.14 Full-time equivalent enrollment is established using the previous year's full-time equivalent
 20.15 enrollment as established in the United States Department of Education Integrated
 20.16 Postsecondary Education Data System. If enrollment cannot be established using the United
 20.17 States Department of Education Integrated Postsecondary Education Data System, the office
 20.18 may establish an institution's full-time equivalent enrollment through verification of its
 20.19 enrollment data submitted in accordance with section 136A.64, subdivision 1, clause (7).

20.20 ~~(f) In addition to the fee under paragraph (e), a fee of \$600 must be paid for a renewal~~
 20.21 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
 20.22 ~~reminders for the same application or registration requirement; or (2) cumulatively has had~~
 20.23 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
 20.24 ~~application and the school seeks to continue with the application process with additional~~
 20.25 ~~application submissions. If this fee is paid, the school may submit two final application~~
 20.26 ~~submissions for review prior to application denial under section 136A.65, subdivision 8.~~
 20.27 ~~This provision excludes from its scope nonrepetitive questions or clarifications initiated by~~
 20.28 ~~the school before the submission of the application, initial interpretation questions or inquiries~~
 20.29 ~~from the office regarding a completed application, and initial requests from the office for~~
 20.30 ~~verification or validation of a completed application.~~

21.1 Sec. 2. Minnesota Statutes 2025 Supplement, section 136A.821, subdivision 5, is amended
21.2 to read:

21.3 Subd. 5. **Private career school.** "Private career school" means a person who maintains
21.4 a physical presence for any program at less than an associate degree level. Private career
21.5 school does not extend to:

21.6 (1) public postsecondary institutions with a physical presence in Minnesota;

21.7 (2) postsecondary institutions registered under sections 136A.61 to 136A.71;

21.8 (3) postsecondary institutions exempt from registration under section 136A.653,
21.9 subdivisions 1b, 2, 3, and 3a; ~~136A.657~~₂; or 136A.658 due to the nature of the institution's
21.10 programs;

21.11 (4) schools exclusively engaged in training physically or mentally disabled persons;

21.12 (5) courses taught to students in an apprenticeship program registered by the United
21.13 States Department of Labor or Minnesota Department of Labor and taught by or required
21.14 by a trade union in which students are not responsible for tuition, fees, or any other charges,
21.15 regardless of payment or reimbursement method;

21.16 (6) programs contracted by persons or government agencies for the training of their own
21.17 employees for which no fee is charged to the employee, regardless of whether that fee is
21.18 reimbursed by the employer or a third party after the employee successfully completes the
21.19 training, except for institutions or programs required to obtain a limited license exclusively
21.20 to receive the dual training grant;

21.21 (7) schools with no physical presence in Minnesota engaged exclusively in offering
21.22 distance programs that are located in and approved by other states or jurisdictions if the
21.23 distance education program does not include internships, externships, field placements, or
21.24 clinical placements for residents of Minnesota;

21.25 (8) schools licensed or approved by other state boards or agencies authorized under
21.26 Minnesota law to issue licenses for institutions or programs, except for institutions or
21.27 programs required to be licensed exclusively to participate in state financial aid or be listed
21.28 on the eligible training provider list, access WIOA funding, or receive the dual training
21.29 grant;

21.30 (9) review classes, courses, or programs intended to prepare students to sit for
21.31 undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance
21.32 examinations;

22.1 (10) classes, courses, or programs conducted by a bona fide trade, professional, or
 22.2 fraternal organization, solely for that organization's membership and not available to the
 22.3 public. In making the determination that the organization is bona fide, the office may request
 22.4 the school provide three certified letters from persons that qualify as evaluators under section
 22.5 136A.828, subdivision 3, paragraph (1), that the organization is recognized in Minnesota;

22.6 (11) programs ~~in the fine arts provided by organizations~~ exempt from taxation under
 22.7 section 290.05 and registered with the attorney general under chapter 309. ~~For purposes of~~
 22.8 ~~this clause, "fine arts" means activities resulting in artistic creation or artistic performance~~
 22.9 ~~of works of the imagination which are engaged in for the primary purpose of creative~~
 22.10 ~~expression rather than commercial sale, vocational or career advancement, or employment;~~
 22.11 or

22.12 (12) classes, courses, or programs intended to fulfill the continuing education
 22.13 requirements for a bona fide licensure or certification in a profession that have been approved
 22.14 by a legislatively or judicially established board or agency responsible for regulating the
 22.15 practice of the profession or by an industry-specific certification entity and that are offered
 22.16 exclusively to individuals with the professional licensure or certification.

22.17 Sec. 3. Minnesota Statutes 2024, section 136A.822, subdivision 9, is amended to read:

22.18 Subd. 9. **Fees and terms of license.** An application for an initial license under sections
 22.19 136A.821 to 136A.833 shall be accompanied by ~~a nonrefundable~~ an application fee as
 22.20 provided in section 136A.824 that is sufficient to recover, but not exceed, the administrative
 22.21 costs of the office. At the end of each fiscal year, the office must review the total amount
 22.22 of initial licensure application fees collected and the total administrative costs of the office
 22.23 for initial licensures.

22.24 All licenses shall expire one year from the date issued by the office, except as provided
 22.25 in section 136A.823.

22.26 Sec. 4. Minnesota Statutes 2024, section 136A.823, subdivision 1, is amended to read:

22.27 Subdivision 1. **Application.** Application for renewal of a license must be made at least
 22.28 60 days before expiration of the current license on a form provided by the office. A renewal
 22.29 application shall be accompanied by a ~~nonrefundable~~ fee as provided in section 136A.824
 22.30 that is sufficient to recover, but does not exceed, the administrative costs of the office. At
 22.31 the end of each fiscal year, the office must review the total amount of renewal licensure
 22.32 application fees collected and the total administrative costs of the office for renewal
 22.33 licensures.

23.1 Sec. 5. Minnesota Statutes 2025 Supplement, section 136A.824, subdivision 1, is amended
23.2 to read:

23.3 Subdivision 1. **Initial licensure fee.** ~~(a)~~ The office processing fee for an initial licensure
23.4 application is:

23.5 (1) \$3,730 for a private career school that will offer no more than one program during
23.6 its first year of operation;

23.7 (2) \$1,500 for a private career school licensed by another state agency and seeking a
23.8 limited license exclusively in order to participate in state financial aid; and

23.9 (3) \$3,730, plus \$500 for each additional program offered by the private career school,
23.10 for a private career school during its first year of licensed operation.

23.11 ~~(b) In addition to the fee under paragraph (a), a fee of \$600 must be paid for an initial~~
23.12 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
23.13 ~~reminders for the same application or licensure requirement; or (2) cumulatively has had~~
23.14 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
23.15 ~~application and the private career school seeks to continue with the application process with~~
23.16 ~~additional application submissions. If this fee is paid, the private career school may submit~~
23.17 ~~two final application submissions for review prior to application denial under section~~
23.18 ~~136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive~~
23.19 ~~questions or clarifications initiated by the school before the submission of the application,~~
23.20 ~~initial interpretation questions or inquiries from the office regarding a completed application,~~
23.21 ~~and initial requests from the office for verification or validation of a completed application.~~

23.22 Sec. 6. Minnesota Statutes 2025 Supplement, section 136A.824, subdivision 2, is amended
23.23 to read:

23.24 Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a renewal
23.25 licensure application is:

23.26 (1) for a private career school, the license renewal fee is \$3,160; and

23.27 (2) for a private career school licensed by another state agency and that also has a limited
23.28 license with the office exclusively in order to participate in state financial aid, the license
23.29 renewal fee is \$1,500.

23.30 (b) If a license renewal application is not received by the office by the expiration of the
23.31 current license, a late fee of \$100 per business day, not to exceed \$3,000, shall be assessed.

24.1 ~~(e) In addition to the fee under paragraph (a), a fee of \$600 must be paid for a renewal~~
 24.2 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
 24.3 ~~reminders for the same application or licensure requirement; or (2) cumulatively has had~~
 24.4 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
 24.5 ~~application and the private career school seeks to continue with the application process with~~
 24.6 ~~additional application submissions. If this fee is paid, the private career school may submit~~
 24.7 ~~two final application submissions for review prior to application denial under section~~
 24.8 ~~136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive~~
 24.9 ~~questions or clarifications initiated by the school before the submission of the application;~~
 24.10 ~~initial interpretation questions or inquiries from the office regarding a completed application;~~
 24.11 ~~and initial requests from the office for verification or validation of a completed application.~~

24.12 Sec. 7. Minnesota Statutes 2025 Supplement, section 136A.833, subdivision 2, is amended
 24.13 to read:

24.14 Subd. 2. **Exemption reasons.** Sections 136A.821 to 136A.832 shall not apply to the
 24.15 following:

24.16 ~~(1) private career schools engaged exclusively in the teaching of avocational programs~~
 24.17 ~~that are engaged primarily for personal development, recreation, or remedial education, and~~
 24.18 ~~are not generally intended for vocational or career advancement, including adult basic~~
 24.19 ~~education, exercise or fitness teacher programs, modeling, or acting, as determined by the~~
 24.20 ~~office;~~

24.21 ~~(2)~~ classes, courses, or programs providing 40 or fewer clock hours of instruction; and

24.22 ~~(3)~~ (2) private career schools providing training, instructional programs, or courses where
 24.23 tuition, fees, and any other charges for a student to participate do not exceed \$500.

24.24 Sec. 8. **REPEALER.**

24.25 (a) Minnesota Statutes 2024, sections 136A.657; and 136A.834, subdivisions 2, 3, and
 24.26 4, are repealed.

24.27 (b) Minnesota Statutes 2025 Supplement, section 136A.834, subdivisions 1 and 5, are
 24.28 repealed.

ARTICLE 4

AGRICULTURE APPROPRIATIONS

Section 1. APPROPRIATION; AGRICULTURAL UTILIZATION RESEARCH

INSTITUTE.

\$80,000 in fiscal year 2026 is appropriated from the general fund to the board of directors of the Agricultural Utilization Research Institute for legal costs. This is a onetime appropriation and is available until June 30, 2029.

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

Sec. 2. Laws 2023, chapter 43, article 1, section 2, subdivision 5, as amended by Laws 2024, chapter 126, article 1, section 1, subdivision 5, is amended to read:

Subd. 5. **Administration and Financial Assistance**

16,643,000 14,587,000

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

(b) \$350,000 the first year and \$350,000 the second year are for grants to the Minnesota Agricultural Education and Leadership Council for programs of the council under Minnesota Statutes, chapter 41D. The base for this appropriation is \$250,000 in fiscal year 2026 and each year thereafter.

(c) \$2,000 the first year is for a grant to the Minnesota State Poultry Association. This is a onetime appropriation. Notwithstanding Minnesota Statutes, section 16A.28, any

26.1 unencumbered balance does not cancel at the
26.2 end of the first year and is available for the
26.3 second year.

26.4 (d) \$18,000 the first year and \$18,000 the
26.5 second year are for grants to the Minnesota
26.6 Livestock Breeders Association. This is a
26.7 onetime appropriation.

26.8 (e) \$60,000 the first year and \$60,000 the
26.9 second year are for grants to the Northern
26.10 Crops Institute that may be used to purchase
26.11 equipment. This is a onetime appropriation.

26.12 (f) \$34,000 the first year and \$34,000 the
26.13 second year are for grants to the Minnesota
26.14 State Horticultural Society. This is a onetime
26.15 appropriation.

26.16 (g) \$25,000 the first year and \$25,000 the
26.17 second year are for grants to the Center for
26.18 Rural Policy and Development. This is a
26.19 onetime appropriation.

26.20 (h) \$75,000 the first year and \$75,000 the
26.21 second year are appropriated from the general
26.22 fund to the commissioner of agriculture for
26.23 grants to the Minnesota Turf Seed Council for
26.24 basic and applied research on: (1) the
26.25 improved production of forage and turf seed
26.26 related to new and improved varieties; and (2)
26.27 native plants, including plant breeding,
26.28 nutrient management, pest management,
26.29 disease management, yield, and viability. The
26.30 Minnesota Turf Seed Council may subcontract
26.31 with a qualified third party for some or all of
26.32 the basic or applied research. Any
26.33 unencumbered balance does not cancel at the
26.34 end of the first year and is available in the

27.1 second year. The Minnesota Turf Seed Council
27.2 must prepare a report outlining the use of the
27.3 grant money and related accomplishments. No
27.4 later than January 15, 2025, the council must
27.5 submit the report to the chairs and ranking
27.6 minority members of the legislative
27.7 committees and divisions with jurisdiction
27.8 over agriculture finance and policy. This is a
27.9 onetime appropriation.

27.10 (i) \$100,000 the first year and \$100,000 the
27.11 second year are for grants to GreenSeam for
27.12 assistance to agriculture-related businesses to
27.13 support business retention and development,
27.14 business attraction and creation, talent
27.15 development and attraction, and regional
27.16 branding and promotion. These are onetime
27.17 appropriations. No later than December 1,
27.18 2024, and December 1, 2025, GreenSeam
27.19 must report to the chairs and ranking minority
27.20 members of the legislative committees with
27.21 jurisdiction over agriculture and rural
27.22 development with information on new and
27.23 existing businesses supported, number of new
27.24 jobs created in the region, new educational
27.25 partnerships and programs supported, and
27.26 regional branding and promotional efforts.

27.27 (j) \$1,950,000 the first year and \$1,950,000
27.28 the second year are for grants to Second
27.29 Harvest Heartland on behalf of Minnesota's
27.30 six Feeding America food banks for the
27.31 following purposes:

27.32 (1) at least \$850,000 each year must be
27.33 allocated to purchase milk for distribution to
27.34 Minnesota's food shelves and other charitable
27.35 organizations that are eligible to receive food

28.1 from the food banks. Milk purchased under
28.2 the grants must be acquired from Minnesota
28.3 milk processors and based on low-cost bids.
28.4 The milk must be allocated to each Feeding
28.5 America food bank serving Minnesota
28.6 according to the formula used in the
28.7 distribution of United States Department of
28.8 Agriculture commodities under The
28.9 Emergency Food Assistance Program. Second
28.10 Harvest Heartland may enter into contracts or
28.11 agreements with food banks for shared funding
28.12 or reimbursement of the direct purchase of
28.13 milk. Each food bank that receives funding
28.14 under this clause may use up to two percent
28.15 for administrative expenses. Notwithstanding
28.16 Minnesota Statutes, section 16A.28, any
28.17 unencumbered balance the first year does not
28.18 cancel and is available the second year;

28.19 (2) to compensate agricultural producers and
28.20 processors for costs incurred to harvest and
28.21 package for transfer surplus fruits, vegetables,
28.22 and other agricultural commodities that would
28.23 otherwise go unharvested, be discarded, or be
28.24 sold in a secondary market. Surplus
28.25 commodities must be distributed statewide to
28.26 food shelves and other charitable organizations
28.27 that are eligible to receive food from the food
28.28 banks. Surplus food acquired under this clause
28.29 must be from Minnesota producers and
28.30 processors. Second Harvest Heartland may
28.31 use up to 15 percent of each grant awarded
28.32 under this clause for administrative and
28.33 transportation expenses; and

28.34 (3) to purchase and distribute protein products,
28.35 including but not limited to pork, poultry, beef,

29.1 dry legumes, cheese, and eggs to Minnesota's
29.2 food shelves and other charitable organizations
29.3 that are eligible to receive food from the food
29.4 banks. Second Harvest Heartland may use up
29.5 to two percent of each grant awarded under
29.6 this clause for administrative expenses. Protein
29.7 products purchased under the grants must be
29.8 acquired from Minnesota processors and
29.9 producers.

29.10 Second Harvest Heartland must submit
29.11 quarterly reports to the commissioner and the
29.12 chairs and ranking minority members of the
29.13 legislative committees with jurisdiction over
29.14 agriculture finance in the form prescribed by
29.15 the commissioner. The reports must include
29.16 but are not limited to information on the
29.17 expenditure of funds, the amount of milk or
29.18 other commodities purchased, and the
29.19 organizations to which this food was
29.20 distributed. The base for this appropriation is
29.21 \$1,700,000 for fiscal year 2026 and each year
29.22 thereafter.

29.23 (k) \$25,000 the first year and \$25,000 the
29.24 second year are for grants to the Southern
29.25 Minnesota Initiative Foundation to promote
29.26 local foods through an annual event that raises
29.27 public awareness of local foods and connects
29.28 local food producers and processors with
29.29 potential buyers.

29.30 (l) \$300,000 the first year and \$300,000 the
29.31 second year are for grants to The Good Acre
29.32 for the Local Emergency Assistance Farmer
29.33 Fund (LEAFF) program to compensate
29.34 emerging farmers for crops donated to hunger

30.1 relief organizations in Minnesota. This is a
30.2 onetime appropriation.

30.3 (m) \$750,000 the first year and \$750,000 the
30.4 second year are to expand the Emerging
30.5 Farmers Office and provide services to
30.6 beginning and emerging farmers to increase
30.7 connections between farmers and market
30.8 opportunities throughout the state. This
30.9 appropriation may be used for grants,
30.10 translation services, training programs, or
30.11 other purposes in line with the
30.12 recommendations of the Emerging Farmer
30.13 Working Group established under Minnesota
30.14 Statutes, section 17.055, subdivision 1. The
30.15 base for this appropriation is \$1,000,000 in
30.16 fiscal year 2026 and each year thereafter.

30.17 (n) \$50,000 the first year is to provide
30.18 technical assistance and leadership in the
30.19 development of a comprehensive and
30.20 well-documented state aquaculture plan. The
30.21 commissioner must provide the state
30.22 aquaculture plan to the legislative committees
30.23 with jurisdiction over agriculture finance and
30.24 policy by February 15, 2025.

30.25 (o) \$337,000 the first year and \$337,000 the
30.26 second year are for farm advocate services.
30.27 Of these amounts, \$50,000 the first year and
30.28 \$50,000 the second year are for the
30.29 continuation of the farmland transition
30.30 programs and may be used for grants to
30.31 farmland access teams to provide technical
30.32 assistance to potential beginning farmers.
30.33 Farmland access teams must assist existing
30.34 farmers and beginning farmers with
30.35 transitioning farm ownership and farm

31.1 operation. Services provided by teams may
31.2 include but are not limited to mediation
31.3 assistance, designing contracts, financial
31.4 planning, tax preparation, estate planning, and
31.5 housing assistance.

31.6 (p) \$260,000 the first year and \$260,000 the
31.7 second year are for a pass-through grant to
31.8 Region Five Development Commission to
31.9 provide, in collaboration with Farm Business
31.10 Management, statewide mental health
31.11 counseling support to Minnesota farm
31.12 operators, families, and employees, and
31.13 individuals who work with Minnesota farmers
31.14 in a professional capacity. Region Five
31.15 Development Commission may use up to 6.5
31.16 percent of the grant awarded under this
31.17 paragraph for administration.

31.18 (q) \$1,000,000 the first year is for transfer to
31.19 the agricultural emergency account established
31.20 under Minnesota Statutes, section 17.041.

31.21 (r) \$1,084,000 the first year and \$500,000 the
31.22 second year are to support IT modernization
31.23 efforts, including laying the technology
31.24 foundations needed for improving customer
31.25 interactions with the department for licensing
31.26 and payments. This is a onetime appropriation.

31.27 (s) \$275,000 the first year is for technical
31.28 assistance grants to certified community
31.29 development financial institutions that
31.30 participate in United States Department of
31.31 Agriculture loan or grant programs for small
31.32 or emerging farmers, including but not limited
31.33 to the Increasing Land, Capital, and Market
31.34 Access Program. For purposes of this
31.35 paragraph, "emerging farmer" has the meaning

32.1 given in Minnesota Statutes, section 17.055,
32.2 subdivision 1. The commissioner may use up
32.3 to 6.5 percent of this appropriation for costs
32.4 incurred to administer the program.
32.5 Notwithstanding Minnesota Statutes, section
32.6 16A.28, any unencumbered balance does not
32.7 cancel at the end of the first year and is
32.8 available in the second year. This is a onetime
32.9 appropriation.
32.10 (t) \$1,425,000 the first year and \$1,425,000
32.11 the second year are for transfer to the
32.12 agricultural and environmental revolving loan
32.13 account established under Minnesota Statutes,
32.14 section 17.117, subdivision 5a, for low-interest
32.15 loans under Minnesota Statutes, section
32.16 17.117.
32.17 (u) \$150,000 the first year and \$150,000 the
32.18 second year are for administrative support for
32.19 the Rural Finance Authority.
32.20 (v) The base in fiscal years 2026 and 2027 is
32.21 \$150,000 each year to coordinate
32.22 climate-related activities and services within
32.23 the Department of Agriculture and
32.24 counterparts in local, state, and federal
32.25 agencies and to hire a full-time climate
32.26 implementation coordinator. The climate
32.27 implementation coordinator must coordinate
32.28 efforts seeking federal funding for Minnesota's
32.29 agricultural climate adaptation and mitigation
32.30 efforts and develop strategic partnerships with
32.31 the private sector and nongovernment
32.32 organizations.
32.33 (w) \$1,200,000 the first year and \$930,000 the
32.34 second year are to maintain the current level
32.35 of service delivery. The base for this

33.1 appropriation is \$1,065,000 in fiscal year 2026
33.2 and \$1,065,000 in fiscal year 2027 and each
33.3 year thereafter.

33.4 (x) \$250,000 the first year is for a grant to the
33.5 Board of Regents of the University of
33.6 Minnesota to purchase equipment for the
33.7 Veterinary Diagnostic Laboratory to test for
33.8 chronic wasting disease, African swine fever,
33.9 avian influenza, and other animal diseases.

33.10 The Veterinary Diagnostic Laboratory must
33.11 report expenditures under this paragraph to
33.12 the legislative committees with jurisdiction
33.13 over agriculture finance and higher education
33.14 with a report submitted by January 3, 2024,
33.15 and a final report submitted by December 31,
33.16 2024. The reports must include a list of
33.17 equipment purchased, including the cost of
33.18 each item.

33.19 (y) \$1,000,000 the first year and \$1,000,000
33.20 the second year are to award and administer
33.21 down payment assistance grants under
33.22 Minnesota Statutes, section 17.133, with
33.23 priority given to eligible applicants with no
33.24 more than \$100,000 in annual gross farm
33.25 product sales and eligible applicants who are
33.26 producers of industrial hemp, cannabis, or one
33.27 or more of the following specialty crops as
33.28 defined by the United States Department of
33.29 Agriculture for purposes of the specialty crop
33.30 block grant program: fruits and vegetables,
33.31 tree nuts, dried fruits, medicinal plants,
33.32 culinary herbs and spices, horticulture crops,
33.33 floriculture crops, and nursery crops.

33.34 Notwithstanding Minnesota Statutes, section
33.35 16A.28, any unencumbered balance at the end

34.1 of the first year does not cancel and is
34.2 available in the second year and appropriations
34.3 encumbered under contract by June 30, 2025,
34.4 are available until June 30, 2027.

34.5 (z) \$222,000 the first year and \$322,000 the
34.6 second year are for meat processing training
34.7 and retention incentive grants under section
34.8 5. By December 1 each year in 2026 and 2027,
34.9 the commissioner must submit a report to the
34.10 chairs and ranking minority members of the
34.11 legislative committees with jurisdiction over
34.12 agriculture finance and policy detailing uses
34.13 of the funds in this paragraph, including award
34.14 amounts to each partner organization, how
34.15 much of each award was used, the types of
34.16 expenses paid for with the funds, and the
34.17 number of employees served. The
34.18 commissioner may use up to 6.5 percent of
34.19 this appropriation for costs incurred to
34.20 administer the program. Notwithstanding
34.21 Minnesota Statutes, section 16A.28, any
34.22 unencumbered balance does not cancel at the
34.23 end of the first year and is available in the
34.24 second year. This is a onetime appropriation
34.25 and is available until June 30, 2027.

34.26 (aa) \$300,000 the first year and \$300,000 the
34.27 second year are for transfer to the Board of
34.28 Regents of the University of Minnesota to
34.29 evaluate, propagate, and maintain the genetic
34.30 diversity of oilseeds, grains, grasses, legumes,
34.31 and other plants including flax, timothy,
34.32 barley, rye, triticale, alfalfa, orchard grass,
34.33 clover, and other species and varieties that
34.34 were in commercial distribution and use in
34.35 Minnesota before 1970, excluding wild rice.

35.1 This effort must also protect traditional seeds
 35.2 brought to Minnesota by immigrant
 35.3 communities. This appropriation includes
 35.4 funding for associated extension and outreach
 35.5 to small and Black, Indigenous, and People of
 35.6 Color (BIPOC) farmers. This is a onetime
 35.7 appropriation.

35.8 (bb) \$300,000 the second year is to award and
 35.9 administer beginning farmer equipment and
 35.10 infrastructure grants under Minnesota Statutes,
 35.11 section 17.055. This is a onetime
 35.12 appropriation.

35.13 (cc) \$25,000 the first year is for the credit
 35.14 market report. Notwithstanding Minnesota
 35.15 Statutes, section 16A.28, any unencumbered
 35.16 balance does not cancel at the end of the first
 35.17 year and is available in the second year. This
 35.18 is a onetime appropriation.

35.19 (dd) The commissioner shall continue to
 35.20 increase connections with ethnic minority and
 35.21 immigrant farmers to farming opportunities
 35.22 and farming programs throughout the state.

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

35.24 Sec. 3. Laws 2025, chapter 34, article 1, section 2, subdivision 2, is amended to read:

35.25 **Subd. 2. Protection Services**

	Appropriations by Fund		
35.27			21,207,000
35.28	General	20,828,000	<u>21,457,000</u>
35.29	Remediation	399,000	399,000

35.30 (a) \$399,000 the first year and \$399,000 the
 35.31 second year are from the remediation fund for
 35.32 administrative funding of the voluntary
 35.33 cleanup program.

36.1 (b) \$639,000 the first year and \$639,000 the
36.2 second year are for the soil health financial
36.3 assistance program under Minnesota Statutes,
36.4 section 17.134. The commissioner may award
36.5 no more than \$50,000 of the appropriation
36.6 each year to a single recipient.

36.7 Notwithstanding Minnesota Statutes, section
36.8 16B.98, subdivision 14, the commissioner may
36.9 use up to 6.5 percent of this appropriation for
36.10 costs incurred to administer the program. Any
36.11 unencumbered balance does not cancel at the
36.12 end of the first year and is available in the
36.13 second year. Appropriations encumbered
36.14 under contract on or before June 30, 2027, for
36.15 soil health financial assistance grants are
36.16 available until June 30, 2029.

36.17 (c) \$275,000 the first year and \$250,000 the
36.18 second year are for compensation for livestock
36.19 destroyed or crippled by a wolf under
36.20 Minnesota Statutes, section 3.737. The first
36.21 year appropriation may be spent to compensate
36.22 for livestock that were destroyed or crippled
36.23 during fiscal year 2025. If the amount in the
36.24 first year is insufficient, the amount in the
36.25 second year is available in the first year. The
36.26 commissioner may use up to \$5,000 each year
36.27 to reimburse expenses incurred by university
36.28 extension educators to provide fair market
36.29 values of destroyed or crippled livestock. If
36.30 the commissioner receives federal money to
36.31 pay claims for destroyed or crippled livestock,
36.32 an equivalent amount of this appropriation
36.33 may be used to reimburse nonlethal prevention
36.34 methods performed by federal wildlife services
36.35 staff. The base for this appropriation is

37.1 \$175,000 in fiscal year 2028 and each year
37.2 thereafter.

37.3 (d) \$255,000 the first year and \$230,000 the
37.4 second year are for compensation for crop or
37.5 fence damage caused by elk under Minnesota
37.6 Statutes, section 3.7371. If the amount in the
37.7 first year is insufficient, the amount in the
37.8 second year is available in the first year. The
37.9 commissioner may use up to \$10,000 of the
37.10 appropriation each year to reimburse expenses
37.11 incurred by the commissioner or the
37.12 commissioner's approved agent to investigate
37.13 and resolve claims, as well as for costs
37.14 associated with training for approved agents.
37.15 The commissioner may use up to \$40,000 of
37.16 the appropriation each year for grants to
37.17 producers for measures to protect stored crops
37.18 from elk damage. If the commissioner
37.19 determines that claims made under Minnesota
37.20 Statutes, section 3.737 or 3.7371, are
37.21 unusually high, amounts appropriated for
37.22 either program may be transferred to the
37.23 appropriation for the other program. The base
37.24 for this appropriation is \$155,000 in fiscal year
37.25 2028 and each year thereafter.

37.26 (e) \$825,000 the first year and \$825,000 the
37.27 second year are to replace capital equipment
37.28 in the Department of Agriculture's analytical
37.29 laboratory.

37.30 (f) \$750,000 the first year and \$750,000 the
37.31 second year are for additional meat and poultry
37.32 inspection services. The commissioner is
37.33 encouraged to seek inspection waivers, match
37.34 federal money, and offer more online

38.1 inspections for the purposes of this paragraph.

38.2 This is a onetime appropriation.

38.3 (g) \$500,000 the first year and \$500,000 the

38.4 second year are for grants to counties to

38.5 support county agricultural inspectors. The

38.6 commissioner may use up to three percent of

38.7 the appropriation each year for administration.

38.8 This is a onetime appropriation. County

38.9 agricultural inspectors and county-designated

38.10 employees must annually submit an

38.11 application, on a form approved by the

38.12 commissioner, to be eligible for funding

38.13 during a given year. The commissioner must

38.14 equally divide available grant money among

38.15 eligible counties. To be eligible for grants

38.16 under this section, a county must employ a

38.17 county agricultural inspector or a

38.18 county-designated employee who:

38.19 (1) has attended training for new county

38.20 agricultural inspectors offered by the

38.21 commissioner;

38.22 (2) coordinates with the commissioner to

38.23 review applicable laws and enforcement

38.24 procedures;

38.25 (3) compiles and submits to the commissioner

38.26 local weed inspector annual report data;

38.27 (4) conducts an annual meeting and training

38.28 for local weed inspectors; and

38.29 (5) assists the commissioner with control

38.30 programs and other agricultural programs

38.31 when requested under Minnesota Statutes,

38.32 section 18.81, subdivision 1b, as directed by

38.33 the county board.

39.1 (h) \$250,000 the first year and \$250,000 the
39.2 second year are appropriated to establish and
39.3 administer the biofertilizer innovation and
39.4 efficiency program ~~under Minnesota Statutes,~~
39.5 ~~section 18C.113.~~ The commissioner may use
39.6 up to 6.5 percent of this appropriation for costs
39.7 incurred to administer the program.

39.8 Notwithstanding Minnesota Statutes, section
39.9 16A.28, any unencumbered balance at the end
39.10 of fiscal year 2026 does not cancel and is
39.11 available until June 30, 2027. This is a onetime
39.12 appropriation.

39.13 ~~(h)~~ (i) \$75,000 the first year is to conduct an
39.14 evaluation of the practice performance and
39.15 economic performance of the Olmsted County
39.16 groundwater protection and soil health
39.17 initiative, including the cover crop program,
39.18 alternative crops program, and haying,
39.19 grazing, and pasture enhancement program.

39.20 The evaluation must look at environmental
39.21 outcomes, include a cost-benefit analysis, and
39.22 be submitted to the chairs and ranking
39.23 minority members of the legislative
39.24 committees and divisions with jurisdiction
39.25 over agriculture policy and finance by June 1,
39.26 2027. The commissioner may contract with
39.27 an independent third party to conduct the
39.28 evaluation.

39.29 ~~(i)~~ (j) \$420,000 the first year and \$924,000
39.30 the second year are to support current services.

40.1 Sec. 4. Laws 2025, chapter 34, article 1, section 2, subdivision 3, as amended by Laws
 40.2 2025, First Special Session chapter 11, section 11, is amended to read:

40.3	Subd. 3. Agricultural Marketing and		23,301,000
40.4	Development	23,551,000	<u>24,301,000</u>

40.5 (a) \$634,000 the first year and \$634,000 the
 40.6 second year are for the continuation of the
 40.7 dairy development and profitability
 40.8 enhancement program, including dairy
 40.9 profitability teams and dairy business planning
 40.10 grants under Minnesota Statutes, section
 40.11 32D.30.

40.12 (b) The commissioner may use funds
 40.13 appropriated in this subdivision for annual
 40.14 cost-share payments to resident farmers or
 40.15 entities that sell, process, or package
 40.16 agricultural products in this state for the costs
 40.17 of organic certification. The commissioner
 40.18 may allocate these funds for assistance to
 40.19 persons transitioning from conventional to
 40.20 organic agriculture.

40.21 (c) \$100,000 the first year and \$100,000 the
 40.22 second year are for mental health outreach and
 40.23 support to farmers, ranchers, farm workers
 40.24 and employees, and others in the agricultural
 40.25 community and profession and for farm and
 40.26 farm worker safety grant and outreach
 40.27 programs under Minnesota Statutes, section
 40.28 17.1195. Mental health outreach and support
 40.29 may include a 24-hour hotline, stigma
 40.30 reduction, and education. Notwithstanding
 40.31 Minnesota Statutes, section 16A.28, any
 40.32 unencumbered balance does not cancel at the
 40.33 end of the first year and is available in the
 40.34 second year. The base for this appropriation

41.1 is \$50,000 in fiscal year 2028 and each year
41.2 thereafter.

41.3 (d) \$700,000 the first year and \$700,000 the
41.4 second year are for the local food purchasing
41.5 assistance grant program under article 3,
41.6 section 35. Notwithstanding Minnesota
41.7 Statutes, section 16A.28, any unencumbered
41.8 balance does not cancel at the end of the first
41.9 year and is available in the second year.

41.10 (e) \$1,000,000 the second year is to expand
41.11 the Emerging Farmers Office and provide
41.12 services to beginning and emerging farmers
41.13 to increase connections between farmers and
41.14 market opportunities throughout the state. This
41.15 appropriation may be used for grants,
41.16 translation services, training programs, or
41.17 other purposes in line with the
41.18 recommendations of the emerging farmer
41.19 working group established under Minnesota
41.20 Statutes, section 17.055, subdivision 1.

41.21 ~~(e)~~ (f) \$18,257,000 the first year and
41.22 \$18,007,000 the second year are for the
41.23 agricultural growth, research, and innovation
41.24 program under Minnesota Statutes, section
41.25 41A.12. The base for this appropriation is
41.26 \$17,449,000 in fiscal year 2028 and each year
41.27 thereafter.

41.28 ~~(f)~~ (g) Except as provided in paragraph ~~(g)~~ (h),
41.29 the commissioner may allocate the
41.30 appropriation in paragraph ~~(e)~~ (f) each year
41.31 among the following areas: facilitating the
41.32 startup, modernization, improvement, or
41.33 expansion of livestock operations, including
41.34 beginning and transitioning livestock
41.35 operations with preference given to robotic

42.1 dairy-milking equipment; assisting
42.2 value-added agricultural businesses to begin
42.3 or expand, to access new markets, or to
42.4 diversify, including aquaponics systems, with
42.5 preference given to hemp fiber processing
42.6 equipment; facilitating the startup,
42.7 modernization, or expansion of other
42.8 beginning and transitioning farms, including
42.9 by providing loans under Minnesota Statutes,
42.10 section 41B.056; sustainable agriculture
42.11 on-farm research and demonstration; the
42.12 development or expansion of food hubs and
42.13 other alternative community-based food
42.14 distribution systems; enhancing renewable
42.15 energy infrastructure and use; crop research,
42.16 including basic and applied turf seed research;
42.17 Farm Business Management tuition assistance;
42.18 supporting the commercialization of an
42.19 innovative material additive utilizing
42.20 agricultural coproducts or waste streams to
42.21 produce fiber-based barrier packaging to
42.22 reduce perfluoroalkyl and polyfluoroalkyl
42.23 substances (PFAS) and plastics in packaging
42.24 products; and good agricultural practices and
42.25 good handling practices certification
42.26 assistance. Notwithstanding Minnesota
42.27 Statutes, section 16B.98, subdivision 14, the
42.28 commissioner may use up to 7.5 percent of
42.29 the appropriation in paragraph ~~(e)~~ (f) for costs
42.30 incurred to administer the program.

42.31 ~~(g)~~ (h) Of the amount appropriated for the
42.32 agricultural growth, research, and innovation
42.33 program under Minnesota Statutes, section
42.34 41A.12:

43.1 (1) \$1,000,000 the first year and \$1,000,000
43.2 the second year are for distribution in equal
43.3 amounts to each of the state's county fairs to
43.4 preserve and promote Minnesota agriculture;

43.5 (2) \$3,000,000 the first year and \$3,000,000
43.6 the second year are for incentive payments
43.7 under Minnesota Statutes, sections 41A.16,
43.8 41A.17, 41A.18, and 41A.20. If this
43.9 appropriation exceeds the total amount for
43.10 which all producers are eligible in a fiscal
43.11 year, the balance of the appropriation is
43.12 available for other purposes under this
43.13 paragraph;

43.14 (3) \$2,750,000 the first year and \$2,750,000
43.15 the second year are for grants that enable retail
43.16 petroleum dispensers, fuel storage tanks, and
43.17 other equipment to dispense biofuels to the
43.18 public in accordance with the biofuel
43.19 replacement goals established under
43.20 Minnesota Statutes, section 239.7911. A retail
43.21 petroleum dispenser selling petroleum for use
43.22 in spark ignition engines for vehicle model
43.23 years after 2000 is eligible for grant money
43.24 under this clause if the retail petroleum
43.25 dispenser has no more than 20 retail petroleum
43.26 dispensing sites and each site is located in
43.27 Minnesota. The grant money must be used to
43.28 replace or upgrade equipment that does not
43.29 have the ability to be certified for E25. A grant
43.30 award must not exceed 65 percent of the cost
43.31 of the appropriate technology. A grant award
43.32 must not exceed \$200,000 per station. The
43.33 commissioner must cooperate with biofuel
43.34 stakeholders in the implementation of the grant
43.35 program. The commissioner, in cooperation

44.1 with any economic or community development
44.2 financial institution and any other entity with
44.3 which the commissioner contracts, must
44.4 submit a the report on under Minnesota
44.5 Statutes, section 41A.12, subdivision 3, that
44.6 includes metrics of the biofuels infrastructure
44.7 financial assistance program ~~by January 15~~
44.8 each year to the chairs and ranking minority
44.9 members of the legislative committees and
44.10 divisions with jurisdiction over agriculture
44.11 policy and finance. The annual report must
44.12 include but not be limited to a summary of the
44.13 following metrics: (i) the number and types
44.14 of projects financed; (ii) the amount of dollars
44.15 leveraged or matched per project; (iii) the
44.16 geographic distribution of financed projects;
44.17 (iv) any market expansion associated with
44.18 upgraded infrastructure; (v) the demographics
44.19 of the areas served; (vi) the costs of the
44.20 program; and (vii) the number of grants to
44.21 minority-owned or female-owned businesses;
44.22 (4) \$350,000 the first year and \$250,000 the
44.23 second year are for grants to facilitate the
44.24 startup, modernization, or expansion of meat,
44.25 poultry, egg, and milk processing facilities. A
44.26 grant award under this clause must not exceed
44.27 \$200,000;
44.28 (5) \$1,594,000 the first year and \$1,544,000
44.29 the second year are for providing more fruits,
44.30 vegetables, meat, poultry, grain, and dairy for
44.31 children in school and early childhood
44.32 education settings, including, at the
44.33 commissioner's discretion, providing grants
44.34 to reimburse schools and early childhood
44.35 education and child care providers for

45.1 purchasing equipment and agricultural
45.2 products. Of the amount appropriated,
45.3 \$150,000 each year is for a statewide
45.4 coordinator of farm-to-institution strategy and
45.5 programming. The coordinator must consult
45.6 with relevant stakeholders and provide
45.7 technical assistance and training for
45.8 participating farmers and eligible grant
45.9 recipients. The base for this appropriation is
45.10 \$1,636,000 in fiscal year 2028 and each year
45.11 thereafter. At the commissioner's discretion,
45.12 for state administration of federal cooperative
45.13 agreements for purchasing Minnesota grown
45.14 and raised foods for schools, child care
45.15 providers, food banks, and other institutions,
45.16 the commissioner may use an amount of state
45.17 funds equal to no more than 7.5 percent of the
45.18 total federal funds awarded to the state. The
45.19 commissioner shall expend any available
45.20 federal administrative funds awarded for this
45.21 purpose before using state funds;

45.22 (6) up to \$1,750,000 the first year and up to
45.23 \$1,750,000 the second year are for grants to
45.24 facilitate the development of urban agriculture,
45.25 including projects related to youth education,
45.26 community and economic development,
45.27 value-added processing, and vocational
45.28 training;

45.29 (7) \$1,000,000 the first year and \$1,000,000
45.30 the second year are for the food retail
45.31 improvement and development program under
45.32 Minnesota Statutes, section 17.1017;

45.33 (8) up to \$200,000 the first year and up to
45.34 \$200,000 the second year are for cooperative

46.1 development grants under Minnesota Statutes,
46.2 section 17.1016;

46.3 (9) \$250,000 the first year and \$150,000 the
46.4 second year are for the protecting livestock
46.5 grant program for producers to support the
46.6 installation of measures to prevent the
46.7 transmission of avian influenza. For the
46.8 appropriation in this clause, a grant applicant
46.9 must document a cost-share of 20 percent. An
46.10 applicant's cost-share amount may be reduced
46.11 up to \$2,000 to cover time and labor costs.
46.12 This is a onetime appropriation; and

46.13 (10) up to \$525,000 the first year and up to
46.14 \$525,000 the second year are to award AGRI
46.15 Works grants to institutions and organizations
46.16 to provide regional and statewide services.
46.17 Preference shall be given to legislatively
46.18 created entities and organizations that enhance
46.19 agricultural, horticultural, or rural community
46.20 and economic development, marketing, and
46.21 promotion, and research and education. A
46.22 grant award under this clause must not exceed
46.23 \$200,000. Grants made under this paragraph
46.24 are subject to the requirements in Minnesota
46.25 Statutes, sections 16B.98 and 16B.981. This
46.26 is a onetime appropriation.

46.27 ~~(h)~~ (i) Notwithstanding Minnesota Statutes,
46.28 section 16A.28, the appropriation in paragraph
46.29 ~~(e)~~ (f) does not cancel at the end of the second
46.30 year and is available until June 30, 2029.
46.31 Appropriations encumbered under contract on
46.32 or before June 30, 2029, for agricultural
46.33 growth, research, and innovation grants are
46.34 available until June 30, 2032. At the end of
46.35 fiscal year 2027, the commissioner must

47.1 prioritize any money resulting from canceled
 47.2 contracts to be used for AGRI Works grants
 47.3 under paragraph ~~(g)~~ (h), clause (10).

47.4 Sec. 5. Laws 2025, chapter 34, article 1, section 2, subdivision 4, as amended by Laws
 47.5 2025, First Special Session chapter 11, section 12, is amended to read:

47.6	Subd. 4. Administration and Financial		11,145,000
47.7	Assistance	14,179,000	<u>9,895,000</u>

47.8 (a) \$474,000 the first year and \$474,000 the
 47.9 second year are for payments to county and
 47.10 district agricultural societies and associations
 47.11 under Minnesota Statutes, section 38.02,
 47.12 subdivision 1. Aid payments to county and
 47.13 district agricultural societies and associations
 47.14 must be disbursed no later than July 15 each
 47.15 year. These payments are the amount of aid
 47.16 from the state for an annual fair held in the
 47.17 previous calendar year.

47.18 (b) \$300,000 the first year and \$300,000 the
 47.19 second year are for grants to the Minnesota
 47.20 Agricultural Education and Leadership
 47.21 Council for programs of the council under
 47.22 Minnesota Statutes, chapter 41D. The base for
 47.23 this appropriation is \$250,000 in fiscal year
 47.24 2028 and each year thereafter.

47.25 (c) \$1,250,000 the first year ~~and \$1,250,000~~
 47.26 ~~the second year are~~ is to award and administer
 47.27 farm down payment assistance grants under
 47.28 Minnesota Statutes, section 17.133, with
 47.29 priority given to eligible applicants with no
 47.30 more than \$100,000 in annual gross farm
 47.31 product sales and eligible applicants who are
 47.32 producers of industrial hemp, cannabis, or one
 47.33 or more of the following specialty crops as
 47.34 defined by the United States Department of

48.1 Agriculture for purposes of the specialty crop
48.2 block grant program: fruits and vegetables,
48.3 tree nuts, dried fruits, medicinal plants,
48.4 culinary herbs and spices, horticulture crops,
48.5 floriculture crops, and nursery crops.
48.6 Notwithstanding Minnesota Statutes, section
48.7 16A.28, any unencumbered balance at the end
48.8 of the first year does not cancel and is
48.9 available in the second year ~~and appropriations~~
48.10 ~~encumbered under contract by June 30, 2027,~~
48.11 ~~are available~~ and any unencumbered balance
48.12 at the end of the second year does not cancel
48.13 and is available until June 30, 2029. The base
48.14 ~~for this appropriation is \$1,000,000 in fiscal~~
48.15 ~~year 2028 and each year thereafter~~ This is a
48.16 onetime appropriation.

48.17 (d) \$1,000,000 the first year and \$1,000,000
48.18 the second year are for the purchase of milk
48.19 for distribution to Minnesota's food shelves
48.20 and other charitable organizations that are
48.21 eligible to receive food from the food banks.
48.22 Milk purchased with grant money must be
48.23 acquired from Minnesota milk processors and
48.24 based on low-cost bids. The milk must be
48.25 allocated to each Feeding America food bank
48.26 serving Minnesota according to the formula
48.27 used in the distribution of United States
48.28 Department of Agriculture commodities under
48.29 The Emergency Food Assistance Program.
48.30 The commissioner may enter into contracts or
48.31 agreements with food banks for shared funding
48.32 or reimbursement of the direct purchase of
48.33 milk. Each food bank that receives funding
48.34 under this paragraph may use up to two
48.35 percent for administrative expenses.
48.36 Notwithstanding Minnesota Statutes, section

49.1 16A.28, any unencumbered balance the first
49.2 year does not cancel and is available the
49.3 second year.

49.4 (e) \$260,000 the first year and \$260,000 the
49.5 second year are for a pass-through grant to
49.6 Region Five Development Commission to
49.7 provide, in collaboration with Farm Business
49.8 Management, statewide mental health
49.9 counseling support to Minnesota farm
49.10 operators, families, and employees, and
49.11 individuals who work with Minnesota farmers
49.12 in a professional capacity. Region Five
49.13 Development Commission may use up to 7.5
49.14 percent of the grant awarded under this
49.15 paragraph for administration.

49.16 (f) \$1,000,000 the first year ~~and \$1,000,000~~
49.17 ~~the second year are~~ is to expand the Emerging
49.18 Farmers Office and provide services to
49.19 beginning and emerging farmers to increase
49.20 connections between farmers and market
49.21 opportunities throughout the state. This
49.22 appropriation may be used for grants,
49.23 translation services, training programs, or
49.24 other purposes in line with the
49.25 recommendations of the emerging farmer
49.26 working group established under Minnesota
49.27 Statutes, section 17.055, subdivision 1.

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

49.30 (h) \$337,000 the first year and \$337,000 the
49.31 second year are for farm advocate services.
49.32 Of these amounts, \$50,000 the first year and
49.33 \$50,000 the second year are for the
49.34 continuation of the farmland transition
49.35 programs and may be used for grants to

50.1 farmland access teams to provide technical
50.2 assistance to potential beginning farmers.
50.3 Farmland access teams must assist existing
50.4 farmers and beginning farmers with
50.5 transitioning farm ownership and farm
50.6 operation. Services provided by teams may
50.7 include but are not limited to mediation
50.8 assistance, designing contracts, financial
50.9 planning, tax preparation, estate planning, and
50.10 housing assistance.

50.11 (i) \$3,000,000 the first year is for transfer to
50.12 the Public Facilities Authority for a grant to
50.13 First District Association to acquire land for
50.14 and to design, engineer, construct, equip, and
50.15 furnish a wastewater treatment project. This
50.16 appropriation is in addition to the
50.17 appropriation in Laws 2023, chapter 71, article
50.18 1, section 15, subdivision 7. This appropriation
50.19 is available until the project is completed or
50.20 abandoned, subject to Minnesota Statutes,
50.21 section 16A.642.

50.22 ~~(k)~~ (j) \$50,000 the first year is to be awarded
50.23 as a grant in a competitive bid process to an
50.24 entity that is not a for-profit entity to conduct
50.25 a study of market and workforce factors that
50.26 may contribute to the incorrect marking for
50.27 the installation of underground
50.28 telecommunications infrastructure that is
50.29 located within ten feet of existing underground
50.30 utilities or that crosses the existing
50.31 underground utilities. The study must include
50.32 recommendations to the legislature and be
50.33 submitted to the chairs and ranking minority
50.34 members of the legislative committees and

51.1 divisions with jurisdiction over agriculture
51.2 policy and finance by June 1, 2027.

51.3 ~~(j)~~ (k) \$50,000 the first year is to conduct a
51.4 study and develop recommendations for
51.5 establishing an incentive-based program to
51.6 support and encourage agricultural retailers
51.7 in promoting 4R nutrient management
51.8 practices. The 4R nutrient management
51.9 practices include: the right source of nutrients,
51.10 at the right rate and right time, in the right
51.11 place.

51.12 (1) As part of the study, the department must
51.13 evaluate strategies for leveraging cost-share
51.14 programs, including the feasibility of
51.15 coordinating with the Agricultural Water
51.16 Quality Certification Program and other efforts
51.17 related to the state's Nutrient Reduction
51.18 Strategy.

51.19 (2) The commissioner must submit a report
51.20 detailing its findings, including potential
51.21 funding sources and proposal outlines for
51.22 funding requests where appropriate. The
51.23 commissioner must submit the report to the
51.24 chairs and ranking minority members of the
51.25 legislative committees with jurisdiction over
51.26 agriculture and environment by March 15,
51.27 2026.

51.28 (l) \$1,250,000 the second year is to award and
51.29 administer farm down payment assistance
51.30 grants under Minnesota Statutes, section
51.31 17.133, with priority given to eligible
51.32 applicants with annual gross farm product
51.33 sales between \$1,000 and \$100,000. Of this
51.34 appropriation, up to 50 percent may be
51.35 awarded by lottery to priority applicants who

52.1 possess a purchase agreement as of June 30,
 52.2 2026. Notwithstanding Minnesota Statutes,
 52.3 section 16A.28, any unencumbered balance
 52.4 at the end of the second year does not cancel
 52.5 and is available until June 30, 2030. The base
 52.6 for this appropriation is \$1,000,000 in fiscal
 52.7 year 2028 and each year thereafter.

52.8 ~~(s)~~ (m) The commissioner shall continue to
 52.9 increase connections with ethnic minority and
 52.10 immigrant farmers to farming opportunities
 52.11 and farming programs throughout the state.

52.12 **EFFECTIVE DATE.** This section is effective July 1, 2026.

52.13

ARTICLE 5

52.14

AGRICULTURE POLICY

52.15 Section 1. Minnesota Statutes 2025 Supplement, section 17.1017, subdivision 9, is amended
 52.16 to read:

52.17 Subd. 9. **Legislative report.** The commissioner, in cooperation with any economic or
 52.18 community development financial institution and any other entity with which it contracts,
 52.19 shall submit ~~an annual~~ the report on under section 41A.12, subdivision 3, that includes
 52.20 metrics of the food retail improvement and development program by January 15 of each
 52.21 year to the chairs and ranking minority members of the house of representatives and senate
 52.22 committees and divisions with jurisdiction over agriculture policy and finance. The ~~annual~~
 52.23 report shall include, ~~but not be limited to,~~ a summary of the following metrics:

- 52.24 (1) the number and types of projects financed;
- 52.25 (2) the amount of dollars leveraged or matched per project;
- 52.26 (3) the geographic distribution of financed projects;
- 52.27 (4) the number and types of technical assistance recipients;
- 52.28 (5) the demographics of the areas served;
- 52.29 (6) the costs of the program;
- 52.30 (7) the number of SNAP dollars spent;
- 52.31 (8) any increase in retail square footage;

53.1 (9) the number of loans or grants to businesses owned by women and Black, Indigenous,
53.2 or Persons of Color; and

53.3 (10) measurable economic and health outcomes, including, but not limited to, increases
53.4 in sales and consumption of locally sourced and other fresh fruits and vegetables, the number
53.5 of construction and retail jobs retained or created, and any health initiatives associated with
53.6 the program.

53.7 Sec. 2. Minnesota Statutes 2025 Supplement, section 17.133, subdivision 1, is amended
53.8 to read:

53.9 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
53.10 the meanings given.

53.11 (b) "Eligible farmer" means an individual who at the time that the grant is awarded:

53.12 (1) is a resident of Minnesota who intends to acquire farmland located within the state
53.13 and provide the majority of the day-to-day physical labor and management of the farm;

53.14 (2) grosses no more than \$250,000 per year from the sale of farm products;

53.15 (3) has earned at least \$1,000 in farm income or has evidence of farming experience;

53.16 (4) has a net worth that does not exceed the limit under section 41B.03, subdivision 3,
53.17 paragraph (a), clause (2);

53.18 ~~(3)~~ (5) has not, and whose spouse has not, at any time had a direct or indirect ownership
53.19 interest in farmland; and

53.20 ~~(4)~~ (6) is not, and whose spouse is not, a family member of the owner of the farmland
53.21 that the individual intends to acquire. "Family member" has the meaning given in section
53.22 267(c)(4) of the Internal Revenue Code.

53.23 (c) "Evidence of farming experience" means that an individual has:

53.24 (1) completed an approved farm business management program;

53.25 (2) a four-year degree in an agriculture-related field; or

53.26 (3) at least three years of experience managing a comparable farm.

53.27 ~~(e)~~ (d) "Farm down payment" means an initial, partial payment required by a lender or
53.28 seller to purchase farmland.

53.29 ~~(d)~~ (e) "Incubator farm" means a farm where:

54.1 (1) individuals are given temporary, exclusive, and affordable access to small parcels
 54.2 of land, infrastructure, and often training, for the purpose of honing skills and launching a
 54.3 farm business; and

54.4 (2) a majority of the individuals farming the small parcels of land grow industrial hemp,
 54.5 cannabis, or one or more of the following specialty crops as defined by the United States
 54.6 Department of Agriculture for purposes of the specialty crop block grant program: fruits
 54.7 and vegetables, tree nuts, dried fruits, medicinal plants, culinary herbs and spices, horticulture
 54.8 crops, floriculture crops, and nursery crops.

54.9 ~~(e)~~ (f) "Limited land access" means farming without ownership of land and:

54.10 (1) the individual or the individual's child rents or leases the land, with the term of each
 54.11 rental or lease agreement not exceeding three years in duration, from a person who is not
 54.12 related to the individual or the individual's spouse by blood or marriage; or

54.13 (2) the individual rents the land from an incubator farm.

54.14 ~~(f)~~ (g) "Limited market access" means the individual has gross sales of no more than
 54.15 \$100,000 per year from the sale of farm products.

54.16 **EFFECTIVE DATE.** This section is effective July 1, 2026.

54.17 Sec. 3. Minnesota Statutes 2025 Supplement, section 17.133, subdivision 2, is amended
 54.18 to read:

54.19 Subd. 2. **Grants.** The commissioner may award farm down payment assistance grants
 54.20 of up to 30 percent of the purchase price of a farm, with a maximum grant of \$20,000 per
 54.21 eligible farmer. Each award must be matched with at least \$8,000 of other funding. Grants
 54.22 under this subdivision may be awarded by a randomized selection process after applications
 54.23 are collected over a period of no less than 30 calendar days. An eligible farmer must commit
 54.24 to own and farm the land purchased with assistance provided under this section for at least
 54.25 five years. For the first five years, each recipient must verify gross farm income of at least
 54.26 \$1,000 or demonstrate investment of at least \$1,000 in farm business infrastructure,
 54.27 equipment, perennial crops, or livestock. For each year that a grant recipient does not own
 54.28 and farm the land during the five-year period, the grant recipient must pay a penalty to the
 54.29 commissioner equal to 20 percent of the grant amount.

54.30 **EFFECTIVE DATE.** This section is effective July 1, 2026.

55.1 Sec. 4. Minnesota Statutes 2024, section 18J.01, is amended to read:

55.2 **18J.01 DEFINITIONS.**

55.3 (a) The definitions in this section; chapters 18G, 18H, 18K, 27, 223, 231, and 232; and
55.4 sections ~~18G.02, 18H.02, 18K.02, 27.01, 223.16, 231.01, and 232.21~~ 21.111 to 21.125 and
55.5 21.80 to 21.92 apply to this chapter.

55.6 (b) For purposes of this chapter, "associated rules" means rules adopted under this
55.7 chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or sections 21.111 to 21.125 and
55.8 21.80 to 21.92.

55.9 Sec. 5. Minnesota Statutes 2024, section 18J.02, is amended to read:

55.10 **18J.02 DUTIES OF COMMISSIONER.**

55.11 The commissioner shall administer and enforce this chapter, chapters 18G, 18H, 18K,
55.12 27, 223, 231, and 232; sections 21.111 to 21.125, and 21.80 to 21.92; and associated rules.

55.13 Sec. 6. Minnesota Statutes 2024, section 18J.03, is amended to read:

55.14 **18J.03 CIVIL LIABILITY.**

55.15 A person regulated by this chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232, or
55.16 sections 21.111 to 21.125 or 21.80 to 21.92, is civilly liable for any violation of one of those
55.17 statutes or associated rules by the person's employee or agent.

55.18 Sec. 7. Minnesota Statutes 2024, section 18J.04, subdivision 1, is amended to read:

55.19 Subdivision 1. **Access and entry.** The commissioner, upon presentation of official
55.20 department credentials, must be granted immediate access at reasonable times to sites where
55.21 a person manufactures, distributes, uses, handles, disposes of, stores, or transports seeds,
55.22 plants, grain, household goods, general merchandise, produce, or other living or nonliving
55.23 products or other objects regulated under chapter 18G, 18H, 18K, 27, 223, 231, or 232;
55.24 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

55.25 Sec. 8. Minnesota Statutes 2024, section 18J.04, subdivision 2, is amended to read:

55.26 Subd. 2. **Purpose of entry.** (a) The commissioner may enter sites for:

55.27 (1) inspection of inventory and equipment for the manufacture, storage, handling,
55.28 distribution, disposal, or any other process regulated under chapter 18G, 18H, 18K, 27, 223,
55.29 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

56.1 (2) sampling of sites, seeds, plants, products, grain, household goods, general
 56.2 merchandise, produce, or other living or nonliving objects that are manufactured, stored,
 56.3 distributed, handled, or disposed of at those sites and regulated under chapter 18G, 18H,
 56.4 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

56.5 (3) inspection of records related to the manufacture, distribution, storage, handling, or
 56.6 disposal of seeds, plants, products, grain, household goods, general merchandise, produce,
 56.7 or other living or nonliving objects regulated under chapter 18G, 18H, 18K, 27, 223, 231,
 56.8 or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules;

56.9 (4) investigating compliance with chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections
 56.10 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

56.11 (5) other purposes necessary to implement chapter 18G, 18H, 18K, 27, 223, 231, or 232;
 56.12 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

56.13 (b) The commissioner may enter any public or private premises during or after regular
 56.14 business hours without notice of inspection when a suspected violation of chapter 18G,
 56.15 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
 56.16 rules may threaten public health or the environment.

56.17 Sec. 9. Minnesota Statutes 2024, section 18J.04, subdivision 3, is amended to read:

56.18 Subd. 3. **Notice of inspection samples and analyses.** (a) The commissioner shall provide
 56.19 the owner, operator, or agent in charge with a receipt describing any samples obtained. If
 56.20 requested, the commissioner shall split any samples obtained and provide them to the owner,
 56.21 operator, or agent in charge. If an analysis is made of the samples, a copy of the results of
 56.22 the analysis must be furnished to the owner, operator, or agent in charge within 30 days
 56.23 after an analysis has been performed. If an analysis is not performed, the commissioner
 56.24 must notify the owner, operator, or agent in charge within 30 days of the decision not to
 56.25 perform the analysis.

56.26 (b) The sampling and analysis must be done according to methods provided for under
 56.27 applicable provisions of chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to
 56.28 21.125 or 21.80 to 21.92; or associated rules. In cases not covered by those sections and
 56.29 methods or in cases where methods are available in which improved applicability has been
 56.30 demonstrated the commissioner may adopt appropriate methods from other sources.

57.1 Sec. 10. Minnesota Statutes 2024, section 18J.04, subdivision 4, is amended to read:

57.2 Subd. 4. **Inspection requests by others.** (a) A person who believes that a violation of
57.3 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
57.4 or associated rules has occurred may request an inspection by giving notice to the
57.5 commissioner of the violation. The notice must be in writing, state with reasonable
57.6 particularity the grounds for the notice, and be signed by the person making the request.

57.7 (b) If after receiving a notice of violation the commissioner reasonably believes that a
57.8 violation has occurred, the commissioner shall make a special inspection in accordance with
57.9 the provisions of this section as soon as practicable, to determine if a violation has occurred.

57.10 (c) An inspection conducted pursuant to a notice under this subdivision may cover an
57.11 entire site and is not limited to the portion of the site specified in the notice. If the
57.12 commissioner determines that reasonable grounds to believe that a violation occurred do
57.13 not exist, the commissioner must notify the person making the request in writing of the
57.14 determination.

57.15 Sec. 11. Minnesota Statutes 2024, section 18J.05, subdivision 1, is amended to read:

57.16 Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G, 18H, 18K, 27,
57.17 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or an associated rule is a
57.18 violation of this chapter.

57.19 (b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
57.20 having authority in the enforcement of the general criminal laws must take action to the
57.21 extent of their authority necessary or proper for the enforcement of chapter 18G, 18H, 18K,
57.22 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules or
57.23 valid orders, standards, stipulations, and agreements of the commissioner.

57.24 Sec. 12. Minnesota Statutes 2024, section 18J.05, subdivision 2, is amended to read:

57.25 Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G, 18H, 18K,
57.26 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules occur
57.27 or the commissioner believes the public interest will be best served by a suitable notice of
57.28 warning in writing, this section does not require the commissioner to:

57.29 (1) report the violation for prosecution;

57.30 (2) institute seizure proceedings; or

57.31 (3) issue a withdrawal from distribution, stop-sale, or other order.

58.1 Sec. 13. Minnesota Statutes 2024, section 18J.05, subdivision 6, is amended to read:

58.2 Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered, or
58.3 certified under chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or
58.4 21.80 to 21.92; or associated rules must appoint the commissioner as the agent upon whom
58.5 all legal process may be served and service upon the commissioner is deemed to be service
58.6 on the licensee, permittee, registrant, or certified person.

58.7 Sec. 14. Minnesota Statutes 2024, section 18J.06, is amended to read:

58.8 **18J.06 FALSE STATEMENT OR RECORD.**

58.9 A person must not knowingly make or offer a false statement, record, or other information
58.10 as part of:

58.11 (1) an application for registration, license, certification, or permit under chapter 18G,
58.12 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
58.13 rules;

58.14 (2) records or reports required under chapter 18G, 18H, 18K, 27, 223, 231, or 232;
58.15 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules; or

58.16 (3) an investigation of a violation of chapter 18G, 18H, 18K, 27, 223, 231, or 232;
58.17 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules.

58.18 Sec. 15. Minnesota Statutes 2024, section 18J.07, subdivision 3, is amended to read:

58.19 Subd. 3. **Cancellation of registration, permit, license, certification.** The commissioner
58.20 may cancel or revoke a registration, permit, license, or certification provided for under
58.21 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
58.22 or associated rules or refuse to register, permit, license, or certify under provisions of chapter
58.23 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or
58.24 associated rules if the registrant, permittee, licensee, or certified person has used fraudulent
58.25 or deceptive practices in the evasion or attempted evasion of a provision of chapter 18G,
58.26 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated
58.27 rules.

58.28 Sec. 16. Minnesota Statutes 2024, section 18J.07, subdivision 4, is amended to read:

58.29 Subd. 4. **Service of order or notice.** (a) If a person is not available for service of an
58.30 order, the commissioner may attach the order to the facility, site, seed or seed container,
58.31 plant or other living or nonliving object regulated under chapter 18G, 18H, 18K, 27, 223,

59.1 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules and notify the
 59.2 owner, custodian, other responsible party, or registrant.

59.3 (b) The seed, seed container, plant, or other living or nonliving object regulated under
 59.4 chapter 18G, 18H, 18K, 27, 223, 231, or 232; sections 21.111 to 21.125 or 21.80 to 21.92;
 59.5 or associated rules may not be sold, used, tampered with, or removed until released under
 59.6 conditions specified by the commissioner, by an administrative law judge, or by a court.

59.7 Sec. 17. Minnesota Statutes 2024, section 18J.07, subdivision 5, is amended to read:

59.8 Subd. 5. **Unsatisfied judgments.** (a) An applicant for a license, permit, registration, or
 59.9 certification under provisions of this chapter, chapter 18G, 18H, 18K, 27, 223, 231, or 232;
 59.10 sections 21.111 to 21.125 or 21.80 to 21.92; or associated rules may not allow a final
 59.11 judgment against the applicant for damages arising from a violation of those statutes or
 59.12 rules to remain unsatisfied for a period of more than 30 days.

59.13 (b) Failure to satisfy, within 30 days, a final judgment resulting from a violation of this
 59.14 chapter results in automatic suspension of the license, permit, registration, or certification.

59.15 Sec. 18. Minnesota Statutes 2024, section 18J.09, is amended to read:

59.16 **18J.09 CREDITING OF PENALTIES, FEES, AND COSTS.**

59.17 Penalties, cost reimbursements, fees, and other money collected under this chapter must
 59.18 be deposited into the state treasury and credited to the appropriate nursery and phytosanitary
 59.19 account under section 18H.17, industrial hemp account under section 18K.07, or seed potato
 59.20 inspection account under section 21.115, seed inspection account under section 21.92, or
 59.21 grain buyers and storage account under sections 223.17 and 232.22.

59.22 Sec. 19. Minnesota Statutes 2024, section 18K.02, subdivision 5, is amended to read:

59.23 Subd. 5. **Processing.** "Processing" means rendering by refinement hemp plants or hemp
 59.24 plant parts from their natural or original state after harvest. Processing includes but is not
 59.25 limited to decortication, devitalization, chopping, crushing, extraction of plant substances
 59.26 other than cannabinoids, and packaging pressing. Processing does not include typical farm
 59.27 operations such as sorting, grading, baling, and harvesting. Processing does not include
 59.28 extraction of cannabinoids or the production of artificially derived cannabinoids as defined
 59.29 in section 342.01, subdivision 6.

60.1 Sec. 20. Minnesota Statutes 2024, section 18K.02, subdivision 6, is amended to read:

60.2 Subd. 6. **Processing location.** "Processing location" means any area, building, plant, or
60.3 facility registered with and approved by the commissioner in which a licensee converts raw
60.4 industrial hemp into a marketable product.

60.5 Sec. 21. Minnesota Statutes 2024, section 18K.04, subdivision 1, is amended to read:

60.6 Subdivision 1. **Requirement; issuance; presumption.** (a) A person must obtain a license
60.7 from the commissioner before (1) growing industrial hemp, (2) processing industrial hemp,
60.8 or (3) researching industrial hemp.

60.9 (b) To obtain a license under paragraph (a), a person must apply to the commissioner
60.10 in the form prescribed by the commissioner and must pay the annual registration and
60.11 inspection fee established by the commissioner in accordance with section 16A.1285,
60.12 subdivision 2.

60.13 (c) For a license to grow or process industrial hemp, the license application must include
60.14 the name and address of the applicant and the legal description of the land area or areas
60.15 where industrial hemp will be grown or processed by the applicant and any other information
60.16 required under Code of Federal Regulations, title 7, part 990.

60.17 ~~(d) For a license to process industrial hemp, the license application must include the~~
60.18 ~~name and address of the applicant, the legal description of the processing location, and any~~
60.19 ~~other information required by the commissioner.~~

60.20 ~~(e)~~ (d) A licensee is responsible for compliance with the license requirements irrespective
60.21 of the acts or omissions of an authorized representative acting on behalf of the licensee.

60.22 ~~(f)~~ (e) When an applicant has paid the fee and completed the application process to the
60.23 satisfaction of the commissioner, the commissioner must issue a license which is valid until
60.24 December 31 of the year of application.

60.25 ~~(g)~~ (f) A person licensed under paragraph (a) to grow industrial hemp is presumed to be
60.26 growing industrial hemp for commercial or research purposes.

60.27 Sec. 22. Minnesota Statutes 2024, section 21.111, is amended to read:

60.28 **21.111 DEFINITIONS.**

60.29 Subdivision 1. **Scope.** When used in sections 21.111 to ~~21.122~~ 21.125 the terms defined
60.30 in this section shall have the meanings ascribed to them.

61.1 ~~Subd. 2. **Inspected.** "Inspected" means that the potato plants are examined in the field~~
 61.2 ~~and that the harvested potatoes produced by the potato plants are examined by or under the~~
 61.3 ~~authority of the commissioner. For seed potatoes produced in a lab, inspected means that~~
 61.4 ~~the lab's records, including records related to the lab's procedures and protocols, as well as~~
 61.5 ~~the seed potatoes, have been examined under the authority of the commissioner.~~

61.6 Subd. 3. **Certified.** "Certified" means that the potatoes ~~were~~ have been inspected while
 61.7 growing in the field and, when possible, again after being harvested, and ~~were thereafter~~
 61.8 duly certified by or under the authority of the commissioner, as provided the potatoes meet
 61.9 the requirements in sections 21.111 to 21.122, and as provided by rules adopted and published
 61.10 by the commissioner 21.125. For seed potatoes produced in a lab an indoor facility or
 61.11 greenhouse, certified means that:

61.12 (1) ~~the seed potato lab facilities, and the lab's procedures, and protocols have been~~
 61.13 ~~examined under the authority of the commissioner; and.~~

61.14 (2) ~~the seed potatoes have been inspected after they have been harvested, removed, or~~
 61.15 ~~released from the lab, and were duly certified by or under the authority of the commissioner,~~
 61.16 ~~as provided in sections 21.111 to 21.122.~~

61.17 Subd. 3a. **Interstate cooperation.** ~~In order to best use state resources, the commissioner~~
 61.18 ~~may enter into agreements with other seed potato certification entities to carry out the~~
 61.19 ~~purposes of sections 21.111 to 21.122. Any agreement may provide for field inspections,~~
 61.20 ~~shipping point inspections, winter tests, and other certification functions to be carried out~~
 61.21 ~~by personnel employed by either entity according to methods determined by the certification~~
 61.22 ~~entities of the respective areas. The commissioner may extend seed potato certification~~
 61.23 ~~services to states where growers wish to grow certified seed potatoes and the state does not~~
 61.24 ~~have a seed potato certification program. Any agreement must be reported to the chairs of~~
 61.25 ~~the legislative committees responsible for the budget or policy of the seed potato inspection~~
 61.26 ~~program and to the commissioner of management and budget.~~

61.27 Subd. 3b. **Certified seed potatoes.** "Certified seed potatoes" means potatoes that have
 61.28 been produced, graded, sacked or placed in bulk, inspected, and certified in accordance with
 61.29 this chapter.

61.30 Subd. 3c. **Class.** "Class" means the seed quality level related to compliance with
 61.31 tolerances for diseases and varietal purity.

61.32 Subd. 3d. **Clone.** "Clone" means a unit of seed potatoes that is the progeny of one plant,
 61.33 which has been tested to become eligible to produce Generation 1 class seed potatoes.

62.1 Subd. 3e. **Commissioner.** "Commissioner" means the commissioner of agriculture or
62.2 the commissioner's designee.

62.3 Subd. 3f. **Crop.** "Crop" means all lots produced on a farm in one year.

62.4 Subd. 3g. **Department.** "Department" means the Department of Agriculture.

62.5 Subd. 3h. **Explant.** "Explant" means an in vitro potato plant or a plantlet that is produced
62.6 by rooting an excised tip of a tuber sprout or an axillary bud from a growing plant and that
62.7 serves as a parent for a whole clone or accession of micropropagated plants or plantlets.

62.8 Subd. 3i. **Farm.** "Farm" means a potato-growing enterprise. Farm includes all land,
62.9 equipment, storage facilities, and laborers used to produce potatoes.

62.10 Subd. 3j. **Field.** "Field" means a plot of land on a farm where potatoes are grown.

62.11 Subd. 3k. **Inspected.** (a) For plants growing in a field, "inspected" means that the
62.12 commissioner has examined the plants in the field where the plants are grown and has
62.13 visually assessed the plants for disease and factors impacting quality.

62.14 (b) For harvested potatoes, inspected means that the commissioner has observed the
62.15 tubers and, when requested, the commissioner has evaluated the tubers for quality and
62.16 conditions described in section 21.125.

62.17 (c) For seed potatoes produced in a facility or greenhouse, inspected means that the
62.18 commissioner has examined the seed potatoes and the facility's records, including records
62.19 related to the facility's procedures and protocols.

62.20 Subd. 3l. **Lot.** "Lot" means a group of seed potatoes of one variety, planted in one
62.21 continuous plot, grown on the same farm, and physically separated from other lots while
62.22 being grown and stored.

62.23 Subd. 3m. **Material in maintenance.** "Material in maintenance" means propagative
62.24 material, plantlets, or tubers that are maintained, not multiplied, under controlled laboratory
62.25 conditions.

62.26 Subd. 3n. **Roguing.** "Roguing" is the process of removing infected plants from a field
62.27 of certified seed potatoes.

62.28 Subd. 3o. **Stand.** "Stand" is the live plant population in a certified seed potato lot.

62.29 Subd. 5. **Seed potatoes.** "Seed potatoes" means potatoes used, sold, offered or exposed
62.30 for sale, or held with intent to sell or as a sample representing any lot or stock of potatoes
62.31 offered or exposed for sale or held with intent to sell within this state, for the purpose of
62.32 planting.

63.1 Subd. 6. **Person.** "Person" includes an individual, a partnership, a corporation, a company,
 63.2 a society, an association, and firms a firm.

63.3 Subd. 7. **Physically separated.** "Physically separated" means separated by at least the
 63.4 width of one row and markings such as flags at every corner of the lot.

63.5 Subd. 8. **Rejected.** "Rejected" means that a field or lot fails to meet the certification
 63.6 standards in this chapter.

63.7 Subd. 9. **Tuber units.** "Tuber units" means the separate pieces of one tuber that are
 63.8 planted consecutively in two or more hills in a row.

63.9 Subd. 10. **Winter testing.** "Winter testing" means growing out and visually inspecting
 63.10 a representative sample of tubers from each seed lot for stand, vigor, varietal purity, and
 63.11 disease.

63.12 Sec. 23. Minnesota Statutes 2024, section 21.112, is amended by adding a subdivision to
 63.13 read:

63.14 Subd. 1a. **Interstate cooperation.** In order to best use state resources, the commissioner
 63.15 may enter into agreements with other seed potato certification entities to carry out the
 63.16 purposes of sections 21.111 to 21.125. An agreement under this subdivision may provide
 63.17 for field inspections, shipping point inspections, winter testing, and other certification
 63.18 functions to be carried out by personnel employed by either the commissioner or other seed
 63.19 potato certification entities according to methods determined by the seed potato certification
 63.20 entities. The commissioner may extend seed potato certification services to a state where
 63.21 growers wish to grow certified seed potatoes and where the state does not have a seed potato
 63.22 certification program. Any agreement under this subdivision must be reported to the chairs
 63.23 and ranking minority members of the legislative committees responsible for the budget or
 63.24 policy of the seed potato inspection program and to the commissioner of management and
 63.25 budget.

63.26 Sec. 24. Minnesota Statutes 2024, section 21.113, is amended to read:

63.27 **21.113 SHIPPING POINT CERTIFICATES OF INSPECTION; CERTIFICATES**
 63.28 **OF ORIGIN; AND BULK CERTIFICATES.**

63.29 Subdivision 1. **Shipping point inspections.** (a) The commissioner shall issue shipping
 63.30 point certificates of inspection only when seed potatoes have been inspected while growing
 63.31 in the field and again after being harvested.

64.1 ~~(b) For seed potatoes produced in a lab, the commissioner shall issue certificates of~~
 64.2 ~~inspection only after:~~

64.3 ~~(1) the seed potato lab facility and the lab's records have been inspected; and~~

64.4 ~~(2) the seed potatoes have been inspected after they have been harvested, removed, or~~
 64.5 ~~released from the lab.~~

64.6 ~~(e)~~ (b) Certificates of inspection under this section shall show the varietal purity and the
 64.7 freedom from disease and physical injury of such potatoes and any other information as
 64.8 may be prescribed by ~~rules adopted and published under~~ sections 21.111 to ~~21.122~~ 21.125.

64.9 Subd. 2. Other certificates. (a) The use of a certificate of origin requires the approval
 64.10 of the seller and the purchaser and must only be used for intrastate shipments between
 64.11 certified seed potato producers. The certificate of origin must contain information considered
 64.12 necessary by the commissioner and must at a minimum identify the producer, receiver,
 64.13 variety, classification, quantity, date of shipment, and lot of the seed potatoes. The limitation
 64.14 of warranty as described in paragraph (c) must not include any representation of the condition
 64.15 of the potatoes at the time of shipment. A certificate of origin must only be used for intrastate
 64.16 shipment if a shipping point inspection is not available. Use of a certificate of origin must
 64.17 be approved by the commissioner prior to shipment.

64.18 (b) A bulk certificate must include the date of issuance, class, grade, lot number, and
 64.19 approximate weight of the load.

64.20 (c) A certification does not represent a warranty of any kind, express or implied, including
 64.21 merchantability, as to the quality of the crop produced from the certified seed potatoes. A
 64.22 certification must only represent that the seed potatoes were produced, graded, sacked or
 64.23 placed in bulk, and inspected in accordance with this chapter. A certification under this
 64.24 subdivision must not include any representation of the condition of the potatoes at the time
 64.25 of shipment.

64.26 Sec. 25. Minnesota Statutes 2024, section 21.115, is amended to read:

64.27 **21.115 FEES; SEED POTATO INSPECTION ACCOUNT.**

64.28 The commissioner shall fix the fees for all inspections and certifications in such amounts
 64.29 as from time to time may be found necessary to pay the expenses of carrying out and
 64.30 enforcing the purposes of sections 21.111 to ~~21.122~~ 21.125, with a reasonable reserve, and
 64.31 shall require the same to be paid before such inspections or certifications are made. All
 64.32 moneys collected as fees or as penalties for violations of any of the provisions of such
 64.33 sections shall be paid into the agricultural fund and credited to the seed potato inspection

65.1 account of the commissioner, which account is hereby created and appropriated for carrying
 65.2 out the purposes of sections 21.111 to ~~21.122~~ 21.125. Interest, if any, received on deposits
 65.3 of these moneys shall be credited to the account, and there shall be paid into this fund any
 65.4 sum provided by the legislature for the purpose of carrying out the provisions of such
 65.5 sections.

65.6 Sec. 26. Minnesota Statutes 2024, section 21.117, is amended to read:

65.7 **21.117 APPLICATIONS FOR INSPECTIONS; WITHDRAWALS;**
 65.8 **AMENDMENTS.**

65.9 (a) Any person may make application to the commissioner for inspection or certification
 65.10 of seed potatoes growing or to be grown. Upon receiving such application and the required
 65.11 fee and such other information as may be required, the commissioner shall cause such
 65.12 potatoes to be inspected or certified in accordance with the provisions of sections 21.111
 65.13 to ~~21.122~~ and the rules adopted and published thereunder 21.125.

65.14 (b) If a grower wishes to withdraw ~~a field or lab~~ an application after having made a
 65.15 timely application for inspection and such withdrawal is requested before the field or ~~lab~~
 65.16 facility inspection has been made, the fee paid shall be refunded to said grower. A grower
 65.17 must submit a withdrawal request in writing and include a reason for withdrawal. A grower
 65.18 must remove withdrawn acres from production before the first field inspection.

65.19 (c) If a grower wishes to amend an application after submitting a timely application for
 65.20 inspection, the grower must submit the request in writing, including a reason for the
 65.21 amendment.

65.22 Sec. 27. Minnesota Statutes 2024, section 21.119, is amended to read:

65.23 **21.119 USE OF CERTAIN TERMS FORBIDDEN; EXCEPTIONS.**

65.24 It shall be unlawful to use or employ the term "certified" or the term "inspected," or any
 65.25 term or terms conveying a meaning substantially equivalent to the meaning of either of
 65.26 these terms, either orally or in writing, printing, marking, or otherwise in reference to or in
 65.27 connection with, or in advertising or characterizing or labeling seed potatoes or the containers
 65.28 thereof, unless such potatoes shall have been duly inspected and certified pursuant to the
 65.29 provisions of sections 21.111 to ~~21.122~~ 21.125.

66.1 Sec. 28. Minnesota Statutes 2024, section 21.1195, is amended to read:

66.2 **21.1195 MINIMUM STANDARDS FOR PLANTING.**

66.3 (a) Seed potatoes may not be planted in the state in lots of totaling ten or more acres
 66.4 unless the seed meets the minimum disease standards prescribed by the commissioner. Seed
 66.5 potatoes may meet the standards by being certified in accordance with this chapter and rules
 66.6 adopted by the commissioner, or under the certification program of another state or province
 66.7 which, in the judgment of the commissioner, provides equivalent assurances of seed potato
 66.8 quality. Seed potatoes may be planted without certification if they have had at least field
 66.9 inspection as required for certified seed potatoes, have passed the field inspection standards
 66.10 of disease tolerance, and are free from ring rot. A person that plants seed potatoes in violation
 66.11 of this section is subject to a civil penalty of \$20 per acre for each acre or part of an acre
 66.12 planted in violation of this section. Failure to maintain complete and accurate records in
 66.13 accordance with this section or rules adopted by the commissioner is an additional violation
 66.14 resulting in a separate civil penalty of \$200 for each failure is a violation and subject to
 66.15 enforcement under chapter 18J.

66.16 (b) If there is not available to be planted in this state, in any year, a sufficient volume
 66.17 of potato seed meeting certified seed potato disease standards, in any or all varieties, the
 66.18 commissioner may, upon application by one or more growers, permit seed that does not
 66.19 comply with this section to be planted for that growing season if the seed does not pose a
 66.20 serious disease threat.

66.21 (c) Each grower shall keep records of each lot of seed potatoes planted. For each growing
 66.22 season, the records must include, by field, the variety, planting location, number of acres
 66.23 planted, and source of the seed potatoes. Each grower shall register fields and file records
 66.24 as prescribed by the commissioner. All records must be made available for inspection by
 66.25 the commissioner or the commissioner's agents during normal business hours.

66.26 (d) In addition to the enforcement powers and penalties in this section, the commissioner
 66.27 may issue a subpoena to a grower in order to compel delivery of records which are required
 66.28 under this section. These subpoenas are enforceable by any court of competent jurisdiction.

66.29 **Sec. 29. [21.123] SEED POTATO CERTIFICATION.**

66.30 Subdivision 1. Eligibility. In order to produce certified seed potatoes, a grower must
 66.31 comply with the following requirements:

66.32 (1) a grower must ensure that potatoes meet the tolerances prescribed by this chapter
 66.33 and the potatoes have been inspected by the commissioner while growing in a field;

67.1 (2) a grower must ensure that all potatoes planted on the grower's farm have been entered
67.2 for certification by the commissioner;

67.3 (3) a grower must ensure that each lot is grown while physically separated from other
67.4 lots. Markers must be visible to a person from any position in the field;

67.5 (4) a grower must submit an application for certification before June 16 each year on
67.6 forms provided by the commissioner. The commissioner must charge a ten percent late
67.7 registration fee to a grower who submitted an application postmarked after June 15 and
67.8 before July 1. The commissioner may extend the deadline due to special circumstances,
67.9 such as a natural disaster, that make it impractical or impossible for planting to be completed
67.10 by the deadline and that affect an area or large number of growers. A grower must make a
67.11 request for an extension in writing before June 16;

67.12 (5) an application for certification must include a North American Health Certificate
67.13 and a shipping point certificate, bulk seed certificate, or certificate of origin. The
67.14 commissioner may accept an incomplete application for certification;

67.15 (6) an application for certification must demonstrate that the seed potatoes being entered
67.16 for certification originated from a class system in Minnesota or another state or province
67.17 under the supervision of another certifying agency; and

67.18 (7) a grower must comply with sections 21.111 to 21.125. A grower's violation of sections
67.19 21.111 to 21.125 is cause for the commissioner to reject the grower's field or lot. A grower
67.20 must not sell or label potatoes as certified seed potatoes when the potatoes were grown in
67.21 a rejected field or lot.

67.22 Subd. 2. **Certification process.** (a) As part of the certification process, the commissioner
67.23 must visually inspect sample plants from each field and lot belonging to the grower, except
67.24 that the commissioner is not required to visually inspect sample plants and tubers when
67.25 certifying prenuclear class potatoes.

67.26 (b) For seed potato varieties that do not exhibit visible symptoms of a specific pathogen,
67.27 the commissioner must subject the seed potatoes to laboratory tests to determine the level
67.28 of a pathogen in a seed lot. Testing under this paragraph may occur during the growing
67.29 season, the storage season, or winter testing.

67.30 (c) The commissioner may not accept an application for certification from a grower in
67.31 a community or county without sufficient acreage for total inspection fee charges to cover
67.32 the cost of wages and expenses of the commissioner to complete an inspection. The

68.1 commissioner may make a determination of sufficient acreage under this paragraph before
68.2 conducting an inspection as part of the certification process.

68.3 (d) The commissioner must not inspect a field for certification unless both the planted
68.4 seed potato variety and the particular planted lot have been authorized by the commissioner.
68.5 When considering the authorization of a particular seed potato variety for planting as certified
68.6 seed potatoes, the commissioner must consider scientific evidence and the expert opinions
68.7 of inspectors.

68.8 (e) The following classes of seed potatoes are eligible for planting as certified seed
68.9 potatoes: Prenuclear (PN), Generation 1 (G1), Generation 2 (G2), Generation 3 (G3),
68.10 Generation 4 (G4), Generation 5 (G5), and experimental class seed potatoes. The
68.11 commissioner may authorize the planting of Certified (C) class or Generation 6 (G6) class
68.12 seed potatoes if the commissioner determines that the seeds do not pose a serious threat of
68.13 disease to the public.

68.14 Subd. 3. **Bacterial ring rot or potato spindle tuber viroid.** If the commissioner finds
68.15 the presence of bacterial ring rot or potato spindle tuber viroid in a field or lot, the
68.16 commissioner must reject the entire field or lot. If the commissioner discovers a single plant
68.17 in a field or a tuber in storage that is infected with bacterial ring rot or potato spindle tuber
68.18 viroid, the commissioner must reject the entire field or lot where the plant was grown. If
68.19 the commissioner has not found bacterial ring rot or potato spindle tuber viroid in a field
68.20 or lot, the field or lot is not necessarily free from either disease.

68.21 Subd. 4. **Winter testing.** (a) In order to detect certain virus diseases, the commissioner
68.22 must conduct winter testing of a sample from each class seeking eligibility for recertification,
68.23 except PN and experimental classes. The commissioner must grow out and visually inspect
68.24 a representative sample of tubers from each seed lot for stand, vigor, varietal purity, and
68.25 disease. If, during a visual inspection, a plant shows signs of potato virus Y or potato leafroll
68.26 virus, or if the plant is of a variety that does not express visual symptoms of infection, the
68.27 commissioner must ensure that a sample of the plant is lab tested for potato virus Y and
68.28 potato leafroll virus. The commissioner must determine whether a field or lot contains the
68.29 threshold amount of disease permitted under section 21.124, subdivision 9. The commissioner
68.30 must include any lot that passes winter testing in the approved list of certified seed lots
68.31 eligible for recertification.

68.32 (b) If the commissioner determines that a winter test of a lot or field has a serious
68.33 malfunction, the commissioner must base classification of the lot or field on summer field
68.34 readings from the previous year or lab testing.

69.1 (c) Instead of winter testing a sample, the commissioner may accept comprehensive lab
69.2 testing if the commissioner determines that special circumstances exist, such as a natural
69.3 disaster, that would make submission of samples for inclusion in winter testing impractical
69.4 or impossible.

69.5 (d) The commissioner must reject a field or lot if the commissioner determines that a
69.6 large number of plants are missing from the field or lot due to disease.

69.7 (e) The commissioner must reject a field or lot if the commissioner determines that the
69.8 field or lot contains a large number of weak plants.

69.9 (f) The commissioner may reject a field or lot if the field or lot contains a large number
69.10 of plants that have a mixture of variety.

69.11 Subd. 5. **Seed potato certification classes.** Seed potato certification classes must be
69.12 differentiated by the potatoes' compliance with disease tolerances, varietal purity, and seed
69.13 origin. Seed potato certification classes are: Prenuclear (PN), Generation 1 (G1), Generation
69.14 2 (G2), Generation 3 (G3), Generation 4 (G4), Generation 5 (G5), Generation 6 (G6), and
69.15 Certified (C).

69.16 Subd. 6. **Experimental status.** (a) Lots from a breeder's seed that have not been tested
69.17 and have not been determined to be virus-free are considered experimental. The commissioner
69.18 must designate seedlings or numbered selections in experimental status as a class and
69.19 determine requirements of that class.

69.20 (b) To obtain experimental status under this subdivision, an applicant must submit a
69.21 written statement from the seedlings' or numbered selections' breeder, originator, or
69.22 originator's designee verifying that the applicant has full and unrestricted rights to introduce
69.23 the seedlings or numbered selections into the commercial market and that the applicant may
69.24 apply to enter the seedlings or numbered selections into the certification system. The written
69.25 statement must accompany the certification application submitted by the applicant.

69.26 (c) After reviewing the applicant's written statement and certification application, the
69.27 commissioner may designate seedlings or numbered selections described in the application
69.28 as having experimental status.

69.29 (d) After an applicant is notified by the commissioner that the seedlings or numbered
69.30 selections have experimental status, the applicant must ensure that the seedlings or numbered
69.31 selections are tagged with the word "EXPERIMENTAL."

69.32 Subd. 7. **Protected varieties.** If an applicant seeks to enter a seed potato variety protected
69.33 under the Plant Variety Protection Act Amendments of 1994 into the certification system,

70.1 the applicant must submit a written statement from the breeder, originator, or originator's
70.2 designee that the applicant has full and unrestricted rights to introduce the protected variety
70.3 into the certification system. The applicant must ensure that the written statement
70.4 accompanies the certification application for any protected seed potato variety.

70.5 Subd. 8. **Certification factors; field inspection.** (a) The commissioner must consider
70.6 the following factors when conducting a field inspection pursuant to a certification
70.7 application:

70.8 (1) the commissioner must reject a field or lot if a large number of plants are missing
70.9 due to disease;

70.10 (2) the commissioner must reject a field or lot if the field or lot contains a large number
70.11 of weak plants;

70.12 (3) the commissioner must inspect a field or lot for bacterial ring rot. The commissioner
70.13 must reject a field or lot if the commissioner finds the presence of bacterial ring rot. If
70.14 bacterial ring rot is present in a field or lot, the remaining crop is not eligible for certification
70.15 planting;

70.16 (4) the commissioner must reject a field or lot if the field or lot contains potatoes with
70.17 a level of disease higher than the acceptable tolerance for the disease for the potatoes' seed
70.18 potato certification class according to section 21.124, subdivision 9;

70.19 (5) the commissioner must reject a field or lot if the field or lot contains a percentage
70.20 of diseased plants that exceeds the acceptable percentage of disease listed in section 21.124
70.21 for the seed potato certification class;

70.22 (6) the commissioner must reject a field or lot if any of the following are present in the
70.23 field or lot to such an extent that the commissioner is unable to complete a satisfactory
70.24 inspection for diseases: early or late blight, blackleg or wilt of any kind, weeds, plant injury
70.25 from insects, or chemical damage; and

70.26 (7) the commissioner must reject a field or lot if any other conditions are present to such
70.27 an extent that the commissioner is unable to make a satisfactory inspection for diseases.

70.28 (b) The commissioner must determine that a field is ineligible for certification if cull
70.29 piles are in such close vicinity to the field that it is likely that the field is contaminated.

70.30 (c) The commissioner must make at least two field inspections of a field during the
70.31 growing season. The commissioner must conduct a final inspection of a field for bacterial
70.32 ring rot during the time of year that symptoms of bacterial ring rot are most likely to be
70.33 observed. If the commissioner is unable to conduct a final inspection under this paragraph

71.1 due to management practices of the grower or for a reason that is out of the grower's control,
71.2 such as a natural disaster, the grower must ensure that laboratory testing is conducted to
71.3 maintain eligibility for certification. An additional inspection or additional laboratory testing
71.4 may be necessary to meet phytosanitary requirements in established markets in another state
71.5 or in a Canadian province.

71.6 Subd. 9. **Roguing.** If any of the diseases listed in section 21.124, subdivision 1, are
71.7 present in a field in amounts greater than the maximum disease tolerance level, the grower
71.8 must rogue the field and remove the infected plants before the final inspection by the
71.9 commissioner. If a grower has completed roguing a field after tubers have formed, the
71.10 grower must remove and destroy all tubers from rogued plants.

71.11 Subd. 10. **Storage.** (a) A grower must ensure that a lot is stored under conditions that
71.12 prevent disease contamination. A grower must not store a lot in any warehouse where other
71.13 potatoes are stored, unless the grower labels the lot according to paragraph (b).

71.14 (b) If more than one grower stores lots in the same warehouse, each grower must identify
71.15 the grower's lots by labeling the bin containing the lot with the grower's name, the grower's
71.16 address, the variety of potatoes in the bin, and the number of potatoes in the bin.

71.17 (c) If a grower plans to store a lot in a public warehouse or storage unit that is not directly
71.18 under the grower's control, the grower must send a complete record of storage to the
71.19 commissioner prior to storing the lot. The record must include the address and location of
71.20 the public warehouse or storage unit, the variety of potatoes in each bin, and the number of
71.21 potatoes in each bin. If a warehouse receipt for the lot is available, the grower must submit
71.22 a copy of the warehouse receipt to the commissioner. If more than one grower stores lots
71.23 in the same public warehouse or storage unit, the grower must label each lot according to
71.24 paragraph (b).

71.25 (d) A grower must not use the same equipment for grading and handling lots of certified
71.26 seed potatoes and other potatoes. If a grower has used the same equipment for grading and
71.27 handling certified seed potatoes and other potatoes, the commissioner must reject the grower's
71.28 lots.

71.29 (e) A firm that handles lots under contract must label each bin containing a lot with the
71.30 name of the grower whose lots are being stored. A firm handling lots under contract must
71.31 properly label and handle bins containing lots. A certification tag or bulk certificate must
71.32 not be issued unless all bins are properly labeled according to this paragraph.

71.33 (f) By November 1 of each crop year, a grower must submit to the commissioner a
71.34 completed storage and yield report for each lot on a form prescribed by the commissioner.

72.1 The commissioner may extend the deadline after November 1 due to special circumstances,
72.2 such as a natural disaster, that would make it impractical or impossible for a grower to
72.3 complete harvesting and storage by November 1 and that affect an area or a large number
72.4 of growers. A grower must submit a written request for an extension to the commissioner
72.5 before November 1 of the crop year for which the extension is sought.

72.6 Subd. 11. **Tags; bulk certificates.** (a) Once the commissioner has informed a grower
72.7 that the grower's potatoes meet the certification requirements in sections 21.111 to 21.125,
72.8 a grower may tag the potatoes using an approved tag indicating the grade of potatoes as
72.9 blue-tag-certified seed potato grade, yellow-tag-certified seed potato grade, or
72.10 white-tag-certified seed potato grade. A grower's name, the city where the farm is located,
72.11 the potato variety, and the crop year must be printed on a tag under this subdivision.

72.12 (b) When fastening a tag to a potato sack, a grower must fasten the tag to the sack to
72.13 form a seal at the time that the lot or shipment is prepared.

72.14 (c) A bulk certificate must include the date that the certificate was issued, class, grade,
72.15 lot number, shipping point certificate number, and approximate weight of the lot.

72.16 (d) Only the person who grew the potatoes may order or print tags for the potatoes once
72.17 the commissioner has informed the person that the potatoes meet certification requirements
72.18 under sections 21.111 to 21.125.

72.19 (e) A grower may print a tag for potatoes if the grower has provided proof of each lot
72.20 to the commissioner for review before using the tag. A tag printed by a grower must contain
72.21 the following statement: "The quality and condition of each lot is only confirmed through
72.22 a shipping point inspection certificate. This tag, without an accompanying shipping point
72.23 inspection certificate, is not proof that the potatoes contained within have been duly
72.24 inspected."

72.25 Subd. 12. **Certified seed potato grades.** Certified seed potatoes must be classified by
72.26 certified seed potato grades based on the number of physical defects of tubers. A grower
72.27 must only use a certified seed potato grade for potatoes after a shipping point inspection of
72.28 the potatoes has been completed. The following three grades of certified seed potatoes must
72.29 be used for Minnesota-certified seed potatoes:

72.30 (1) the blue-tag-certified seed potato grade is the first grade of certified seed potatoes.
72.31 The blue-tag-certified seed potato grade is stricter than other grades. The blue-tag-certified
72.32 seed potato grade does not allow as many physical defects of tubers as other grades. A
72.33 grower may use the blue-tag-certified seed potato grade for intrastate and interstate shipments
72.34 of certified seed potatoes;

73.1 (2) the yellow-tag-certified seed potato grade is the second grade of certified seed
 73.2 potatoes. The yellow-tag-certified seed potato grade allows more physical defects of tubers
 73.3 than the blue-tag-certified seed potato grade. A grower may use the yellow-tag-certified
 73.4 seed potato grade for intrastate and interstate shipments of certified seed potatoes; and

73.5 (3) the white-tag-certified seed potato grade is the third grade of certified seed potatoes.
 73.6 The number of physical defects that the white-tag-certified seed potato grade allows is
 73.7 determined by an agreement between the purchaser and seller of the certified seed potatoes.
 73.8 A grower may use the white-tag-certified seed potato grade for intrastate and interstate
 73.9 shipments of certified seed potatoes.

73.10 Subd. 13. **Grading.** (a) A grower must ensure that a lot is inspected at the shipping point
 73.11 if the lot requires a grade statement.

73.12 (b) If an inspection at the shipping point is impossible, a grower must request a grading
 73.13 inspection in transit.

73.14 (c) A grower must ensure that a bagged lot or shipment offered for sale and tagged with
 73.15 approved certification tags is contained in new even-weight sacks.

73.16 (d) A grower must ensure that a bulk shipment is identified with a bulk certificate.

73.17 (e) A grower must ensure that a bagged lot and bulk lot or shipment meets grade standards
 73.18 in section 21.125.

73.19 (f) A grower must recondition a lot or shipment that fails to meet the grade standards in
 73.20 section 21.125.

73.21 (g) If a lot or shipment fails to meet grade standards and is contained in sacks, a grower
 73.22 must remove approved certification tags from the lot or shipment before the lot or shipment
 73.23 may proceed to its destination.

73.24 (h) If a shipment is in bulk and fails to meet grade standards in section 21.125, a bulk
 73.25 certificate must not be issued.

73.26 (i) If a lot or shipment fails to meet grade standards, the shipper must bear the costs of
 73.27 reconditioning potatoes to meet the grade standards in section 21.125.

73.28 Sec. 30. **[21.124] REQUIREMENTS FOR PRODUCTION OF DIFFERENT**
 73.29 **CLASSES OF CERTIFIED SEED POTATOES.**

73.30 Subdivision 1. **Prenuclear class certified seed potatoes.** (a) A lot grown as and intended
 73.31 to be prenuclear class certified seed potatoes must be grown from plants tested and shown
 73.32 to be free from the following pathogens:

74.1 (1) *Clavibacter michiganensis* ssp. *sepedonicus* (ring rot);

74.2 (2) *Pectobacterium atrosepticum* ssp. *Atrosepticum*, *carotovora* (blackleg);

74.3 (3) potato virus X;

74.4 (4) potato virus S;

74.5 (5) potato virus A;

74.6 (6) potato virus M;

74.7 (7) potato virus Y;

74.8 (8) potato spindle tuber viroid; and

74.9 (9) potato leafroll virus.

74.10 (b) When growing prenuclear class seed potatoes, a grower must ensure that each explant
74.11 or tuber is tested for organisms for which testing is required by the state or province of
74.12 destination. A grower must ensure that material in maintenance is tested during the year of
74.13 producing prenuclear class seed potatoes.

74.14 (c) A grower must produce prenuclear class seed potatoes in a greenhouse, facility, or
74.15 screenhouse under sanitary conditions, free from insects and weeds that can harbor or
74.16 transmit potato diseases or other conditions that would allow possible disease contamination.
74.17 A grower must ensure that a facility used for growing prenuclear seed potatoes is sufficiently
74.18 insulated from insects by screens and double doors. The commissioner may inspect any
74.19 facility or equipment used for growing, handling, and storing prenuclear class seed potatoes
74.20 to verify that the facility or equipment complies with this paragraph.

74.21 (d) A grower must ensure that one percent of each lot or ten plants or tubers from each
74.22 lot, whichever is greater, is tested during the growing season to verify that the crop is free
74.23 from potato virus X, potato virus Y, potato leafroll virus, *C. michiganensis*, and *P.*
74.24 *atrosepticum*.

74.25 (e) Prenuclear tubers may originate from greenhouse tubers for one year only if the
74.26 greenhouse tubers have remained at the same growing operation and have remained isolated
74.27 from field-grown tubers.

74.28 (f) Prenuclear class certified seed potatoes must not contain more than the allowable
74.29 tolerances for disease and varietal mixture in subdivision 9.

74.30 Subd. 2. **Generation 1 class certified seed potatoes.** (a) Generation 1 class seed potatoes
74.31 must meet the following requirements:

75.1 (1) the seed source must be either prenuclear tubers, clones, or plantlets; and

75.2 (2) tuber units or plantlets must be planted in identifiable family units.

75.3 (b) Subject to the commissioner's approval, lots in Generation 1 class may be exempt
75.4 from winter testing requirements if leaves collected during the growing season are laboratory
75.5 tested and shown to be within the allowable tolerance of potato virus X, potato virus Y, and
75.6 other pathogens identified by the commissioner.

75.7 (c) Each lot must be stored in an individual identifiable unit.

75.8 (d) Generation 1 seed potatoes must not contain more than the allowable tolerances for
75.9 disease and varietal mixture for seed potatoes in subdivision 9.

75.10 Subd. 3. **Generation 2 class certified seed potatoes.** Generation 2 class seed potatoes
75.11 must originate from Generation 1 class seed potatoes. Generation 2 class seed potatoes must
75.12 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
75.13 9.

75.14 Subd. 4. **Generation 3 class certified seed potatoes.** Generation 3 class seed potatoes
75.15 must originate from Generation 2 class seed potatoes. Generation 3 class seed potatoes must
75.16 not contain more than the allowable tolerances of disease and varietal mixture in subdivision
75.17 9.

75.18 Subd. 5. **Generation 4 class certified seed potatoes.** Generation 4 class seed potatoes
75.19 must originate from Generation 3 class seed potatoes. Generation 4 class seed potatoes must
75.20 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
75.21 9.

75.22 Subd. 6. **Generation 5 class certified seed potatoes.** Generation 5 class seed potatoes
75.23 must originate from Generation 4 class seed potatoes. Generation 5 class seed potatoes must
75.24 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
75.25 9.

75.26 Subd. 7. **Generation 6 class certified seed potatoes.** Generation 6 class seed potatoes
75.27 must originate from Generation 5 class seed potatoes. Generation 6 class seed potatoes must
75.28 not contain more than the allowable tolerances for disease and varietal mixture in subdivision
75.29 9.

75.30 Subd. 8. **Certified class certified seed potatoes.** Certified class seed potatoes must
75.31 originate from generation classes of seed potatoes. Certified class seed potatoes must not
75.32 contain more than the allowable tolerances for disease and varietal mixture in subdivision
75.33 9.

76.1 **Subd. 9. Allowable tolerances for diseases and varietal mixture by generation**
 76.2 **class.** The numbers represent the percentage of potatoes that may be affected out of an
 76.3 **individual lot.**

	<u>PN</u>	<u>G1</u>	<u>G2</u>	<u>G3</u>	<u>G4</u>	<u>G5</u>	<u>G6</u>	<u>C</u>
76.4								
76.5	<u>Tolerances:</u>							
76.6	<u>Severe Mosaic from</u>							
76.7	<u>potato virus Y, A, M,</u>							
76.8	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
76.9	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
76.10	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>1</u>
76.11	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
76.12	<u>Mycoplasmas (haywire,</u>							
76.13	<u>witches broom, yellow</u>							
76.14	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
76.15	<u>0</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
76.16	<u>0</u>	<u>0</u>	<u>0.2</u>	<u>0.5</u>	<u>1</u>	<u>exc.</u>	<u>exc.</u>	<u>exc.</u>
76.17	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>	<u>0.2</u>
76.18	<u>Ring Rot and Spindle</u>							
76.19	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
76.20	<u>Winter Test:</u>							
76.21	<u>Virus or expressing</u>							
76.22	<u>symptoms of chemical</u>							
76.23	<u>-</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>

76.24 **Sec. 31. [21.125] MINNESOTA CERTIFIED SEED POTATO GRADES AND**
 76.25 **TOLERANCES.**

76.26 **Subdivision 1. Certified seed potato grading.** Potatoes must meet the requirements of
 76.27 **sections 21.111 to 21.125 to be graded as certified seed potatoes.**

76.28 **Subd. 2. Definitions.** (a) For the purposes of this section, the following terms have the
 76.29 **meanings given.**

76.30 **(b) "Damage" means any defect or combination of defects that materially affects the**
 76.31 **appearance of the individual potato, or that cannot be removed without a loss of more than**
 76.32 **five percent of the total weight of the potato, including the peel covering the defective area.**

76.33 **(c) "Diameter" means the greatest dimension at right angles to the longitudinal axis.**
 76.34 **Diameter means the long axis.**

76.35 **(d) "Dry rot" means decaying tissue that is dry.**

77.1 (e) "Fairly clean" means that the individual potato is reasonably free from dirt, staining,
 77.2 or other foreign matter.

77.3 (f) "Fairly well-shaped" means that the individual potato is not materially pointed,
 77.4 dumbbell-shaped, or otherwise ill-formed.

77.5 (g) "Mature" means that the outer skin does not loosen or feather readily during the
 77.6 ordinary methods of handling.

77.7 (h) "Serious damage" means any defect or combination of defects that seriously affects
 77.8 the appearance of the individual potato or that cannot be removed without a loss of more
 77.9 than ten percent of the total weight of the potato, including the peel covering the defective
 77.10 area.

77.11 (i) "Slightly dirty" means the appearance is not materially affected by dirt, staining, or
 77.12 other foreign matter.

77.13 (j) "Soft rot" or "wet breakdown" means any soft, mushy, or leaky condition of potato
 77.14 tissues.

77.15 (k) "Well-shaped" means the normal shape for a variety.

77.16 Subd. 3. **Damage.** The commissioner must find that one or more of the following defects
 77.17 constitutes damage:

77.18 (1) a russet scab that materially detracts from the appearance of a potato;

77.19 (2) second growth or growth cracks that materially affect the appearance of an individual
 77.20 potato;

77.21 (3) air cracks when removal of the air cracks causes a loss of more than five percent of
 77.22 the total weight of a potato;

77.23 (4) a potato that is more than moderately shriveled, spongy, or flabby;

77.24 (5) an individual potato that has sprouts over one inch in length;

77.25 (6) a surface scab, powdery scab, or pitted scab that covers more than five percent of
 77.26 the surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,
 77.27 causes a potato to lose more than five percent of the potato's total weight, including peel
 77.28 covering a defective area of the potato; or

77.29 (7) more than 50 percent of a potato's surface contains scattered, lightly caked soil or
 77.30 more than 15 percent of a potato's surface is badly caked with soil.

78.1 Subd. 4. **Serious damage.** The commissioner must find that one or more of the following
78.2 defects constitutes serious damage:

78.3 (1) a russet scab that seriously detracts from the appearance of a potato;

78.4 (2) the appearance of a potato is seriously affected by caked or smeared dirt or other
78.5 foreign matter;

78.6 (3) both ends of a potato are cut or clipped, more than an estimated one-fourth of a potato
78.7 is cut away from one end, or a remaining portion of a clipped potato weighs less than six
78.8 ounces;

78.9 (4) one or more cuts that seriously affect the appearance of a potato or that cannot be
78.10 removed without the loss of more than ten percent of a potato's total weight, including peel
78.11 covering the defective area;

78.12 (5) a potato that is excessively shriveled, spongy, or flabby;

78.13 (6) a surface scab, powdery scab, or pitted scab that covers more than 25 percent of the
78.14 surface of a potato or a surface scab, powdery scab, or pitted scab that, when removed,
78.15 causes a loss of more than ten percent of a potato's total weight, including peel covering the
78.16 defective area; or

78.17 (7) wireworm or air cracks that, when removed, cause a loss of more than ten percent
78.18 of a potato's total weight.

78.19 Subd. 5. **Application of tolerance.** If the average of an entire lot is within the disease
78.20 tolerances specified for the grade in section 21.124, subdivision 9, an individual container
78.21 in the lot may contain no more than double the disease tolerance specified in section 21.124,
78.22 subdivision 9, except that sprouts, at least one defective specimen with a defect other than
78.23 bacterial ring rot, and one off size specimen is permitted. This subdivision does not apply
78.24 to bulk conveyances.

78.25 Subd. 6. **Condition after transit.** Deterioration that developed in transit must affect the
78.26 condition of potatoes. Deterioration that developed in transit must not affect the grade of
78.27 potatoes.

78.28 Subd. 7. **Minnesota blue-tag-certified seed potato grade.** (a) To be graded as Minnesota
78.29 blue-tag-certified seed potatoes, potatoes must meet the following requirements:

78.30 (1) at the time of the shipping point inspection, potatoes must be of one variety;
78.31 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
78.32 and soft rot or wet breakdown; free from damage caused by soil or other foreign matter,

79.1 second growth, air cracks, cuts, shriveling, sprouts, pitted scabs, surface scabs, powdery
79.2 scabs, russet scabs, dry rot, other diseases, insects or worms, mechanical or other means,
79.3 or flattened or depressed areas with underlying flesh discoloration; and free from serious
79.4 damage caused by hollow heart, wireworm, growth cracks, or internal discoloration other
79.5 than hollow heart. Sunburn and silver scurf must not be considered factors that affect the
79.6 grading of potatoes. This clause does not apply to hollow heart if the potatoes are labeled
79.7 "hollow heart exempt" on the affixed tag or accompanying certificate; and

79.8 (2) for round or intermediate shaped varieties, the maximum potato size is 12 ounces
79.9 (340.2 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
79.10 inches (38.1 millimeters) in diameter. For long varieties, the maximum size is 14 ounces
79.11 (396.9 grams) and, unless otherwise specified, the minimum size must not be less than 1-1/2
79.12 inches (38.1 millimeters) in diameter. For all varieties, the minimum diameter for size "B"
79.13 must not be less than 1-1/2 inches (38.1 millimeters) and the maximum size must not be
79.14 more than 2-1/4 inches (57.1 millimeters) in diameter. The department may grade potatoes
79.15 that do not meet the maximum and minimum size specifications as Minnesota
79.16 blue-tag-certified seed potatoes if the buyer agrees to accept potatoes of alternate size
79.17 specifications from the grower and the specifications are listed on the affixed tag or
79.18 accompanying bulk certificate issued by the department.

79.19 (b) To allow for variations incident to proper grading and handling, the following lot
79.20 tolerances are permitted:

79.21 (1) for defects:

79.22 (i) up to ten percent of a lot may be seriously damaged by hollow heart, unless labeled
79.23 "hollow heart exempt" on the affixed tag or accompanying certificate;

79.24 (ii) up to five percent of a lot may be seriously damaged by internal discoloration due
79.25 to causes other than hollow heart;

79.26 (iii) up to ten percent of a lot may be damaged by soil or other foreign matter;

79.27 (iv) up to 20 percent of a lot may be damaged by sprouts;

79.28 (v) up to ten percent of a lot may be seriously damaged by wireworm;

79.29 (vi) for potatoes that fail to meet the remaining requirements of the potatoes' grade, a
79.30 lot may contain up to a total of six percent of the following defects combined and must not
79.31 contain more than the following percentage of defects:

79.32 (A) soft rot, frozen, or wet breakdown, 0.5 percent;

- 80.1 (B) damage by surface scab, powdery scab, or pitted scab, 2.0 percent;
- 80.2 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
- 80.3 tuber rot;
- 80.4 (D) bacterial ring rot, 0.0 percent; and
- 80.5 (E) late blight tuber rot, 1.0 percent; and
- 80.6 (vii) the presence of the following does not affect seed quality and must not be scored
- 80.7 against the potatoes' grade:
- 80.8 (A) brown discoloration following skinning;
- 80.9 (B) dried stems;
- 80.10 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 80.11 (D) greening;
- 80.12 (E) sunburn;
- 80.13 (F) skin checks; and
- 80.14 (G) silver scurf; and
- 80.15 (2) for off size:
- 80.16 (i) up to five percent of potatoes may fail to meet the required or specified minimum
- 80.17 size; and
- 80.18 (ii) up to ten percent of potatoes may fail to meet the required maximum size.
- 80.19 Subd. 8. **Minnesota yellow-tag-certified seed potato grade.** (a) To be graded as
- 80.20 Minnesota yellow-tag-certified seed potatoes, potatoes must meet the following requirements:
- 80.21 (1) at the time of the shipping point inspection, the potatoes must be of one variety;
- 80.22 unwashed; fairly well-shaped; free from bacterial ring rot, late blight, freezing, black heart,
- 80.23 and soft rot or wet breakdown; free from damage caused by second growth, air cracks, cuts,
- 80.24 shriveling, pitted scabs, surface scabs, powdery scabs, dry rot, other diseases, insects or
- 80.25 worms, or mechanical means or other means; and free from serious damage caused by soil
- 80.26 or other foreign matter, hollow heart, wireworm, growth cracks, russet scabs, or internal
- 80.27 discoloration other than hollow heart. Sunburn and silver scurf must not be considered
- 80.28 factors that affect the grading of potatoes. This clause does not apply to hollow heart if
- 80.29 labeled "hollow heart exempt" on the affixed tag or accompanying certificate; and

81.1 (2) for all varieties, the maximum potato size is 14 ounces (396.9 grams) and the
81.2 minimum size is 1-1/2 inch (38.1 millimeter) in diameter. For all varieties, the minimum
81.3 diameter for size "B" must not be less than 1-1/2 inches (38.1 millimeters) and the maximum
81.4 diameter must not be more than 2-1/4 inches (57.1 millimeters). The department may grade
81.5 potatoes that do not meet the maximum and minimum size specifications as Minnesota
81.6 yellow-tag-certified seed potatoes if the buyer agrees to accept potatoes with alternate size
81.7 specifications from the grower and the size specifications are listed on the affixed tag or
81.8 accompanying bulk certificate issued by the department.

81.9 (b) To allow for variations incident to proper grading and handling, the following lot
81.10 tolerances are permitted:

81.11 (1) for defects:

81.12 (i) up to 20 percent of potatoes may be seriously damaged by hollow heart, unless labeled
81.13 "hollow heart exempt" on the affixed tag or accompanying certificate;

81.14 (ii) up to five percent of potatoes may be seriously damaged by internal discoloration
81.15 due to a cause other than hollow heart;

81.16 (iii) up to ten percent of potatoes may be seriously damaged by soil or other foreign
81.17 matter;

81.18 (iv) up to ten percent of potatoes may be seriously damaged by wireworm;

81.19 (v) up to 20 percent of a lot may have defects if the potatoes fail to meet the remaining
81.20 requirements of the grade. Of the 20 percent of defects allowed, a lot may contain a total
81.21 of six percent of the following defects combined and must not contain more than the
81.22 following percentage of defects:

81.23 (A) soft rot, frozen, or wet breakdown, 0.5 percent;

81.24 (B) damage by surface scab, powdery scab, or pitted scab, 5.0 percent;

81.25 (C) damage by dry rot, 2.0 percent, of which not more than 1.0 percent is late blight
81.26 tuber rot;

81.27 (D) bacterial ring rot, 0.0 percent; and

81.28 (E) late blight tuber rot, 1.0 percent; and

81.29 (vi) the presence of the following does not affect seed quality and must not be scored
81.30 against the grade:

81.31 (A) brown discoloration following skinning;

- 82.1 (B) dried stems;
- 82.2 (C) flattened or depressed areas showing no underlying flesh discoloration;
- 82.3 (D) greening;
- 82.4 (E) sunburn;
- 82.5 (F) skin checks;
- 82.6 (G) silver scurf; and
- 82.7 (H) sprouts; and
- 82.8 (2) for off size:
- 82.9 (i) five percent for potatoes that fail to meet the required or specified minimum size;
- 82.10 and
- 82.11 (ii) ten percent for potatoes that fail to meet the required maximum size.
- 82.12 (c) The potatoes must be fairly well-shaped, with an exception for long varieties when
- 82.13 specified as "except for shape." When specified as "except for shape," the tubers may be
- 82.14 misshapen.
- 82.15 Subd. 9. **Minnesota white-tag-certified seed potato grade.** Minnesota white-tag-certified
- 82.16 seed potato grade consists of certified seed potatoes that are graded according to agreement
- 82.17 between the seller and the purchaser as to size and defects, except that not more than one-half
- 82.18 percent of soft rot, frozen, or wet breakdown and two percent dry rot, of which not more
- 82.19 than one percent late blight tuber rot is allowed.
- 82.20 Sec. 32. Minnesota Statutes 2024, section 21.891, subdivision 2, is amended to read:
- 82.21 Subd. 2. **Seed fee permits.** (a) A labeler who wishes to sell seed in Minnesota must
- 82.22 comply with section 21.89, subdivisions 1 and 2, and the procedures in this subdivision.
- 82.23 Each labeler who wishes to sell seed in Minnesota must apply to the commissioner to obtain
- 82.24 a permit. The application must contain the name and address of the applicant, the application
- 82.25 date, and the name and title of the applicant's contact person. Permit fees are based on the
- 82.26 initial sale of seed in Minnesota.
- 82.27 (b) The application for a seed permit covered by section 21.89, subdivision 2, clause
- 82.28 (1), must be accompanied by an application fee of \$75.
- 82.29 (c) The application for a seed permit covered by section 21.89, subdivision 2, clause
- 82.30 (2), must be accompanied by an application fee based on the level of annual gross sales as
- 82.31 follows:

- 83.1 (1) for gross sales of \$0 to \$25,000, the annual permit fee is \$75;
- 83.2 (2) for gross sales of \$25,001 to \$50,000, the annual permit fee is \$150;
- 83.3 (3) for gross sales of \$50,001 to \$100,000, the annual permit fee is \$300;
- 83.4 (4) for gross sales of \$100,001 to \$250,000, the annual permit fee is \$750;
- 83.5 (5) for gross sales of \$250,001 to \$500,000, the annual permit fee is \$1,500;
- 83.6 (6) for gross sales of \$500,001 to \$1,000,000, the annual permit fee is \$3,000; and
- 83.7 (7) for gross sales of \$1,000,001 and above, the annual permit fee is \$4,500.
- 83.8 (d) The application for a seed permit covered by section 21.89, subdivision 2, clause
- 83.9 (3), must be accompanied by an application fee of \$75. Labelers holding seed fee permits
- 83.10 covered under this paragraph need not apply for a new permit or pay the application fee.
- 83.11 Under this permit category, the fees for the following kinds of agricultural seed sold either
- 83.12 in bulk or containers are:
- 83.13 (1) oats, wheat, and barley, 9 cents per hundredweight;
- 83.14 (2) rye, field beans, buckwheat, and flax, 12 cents per hundredweight;
- 83.15 (3) field corn, 17 cents per 80,000 seed unit;
- 83.16 (4) forage, hemp, lawn and turf grasses, and legumes, 69 cents per hundredweight;
- 83.17 (5) sunflower, \$1.96 per hundredweight;
- 83.18 (6) sugar beet, 12 cents per 100,000 seed unit;
- 83.19 (7) soybeans, 7.5 cents per 140,000 seed unit;
- 83.20 (8) for any agricultural seed not listed in clauses (1) to (7), the fee for the crop most
- 83.21 closely resembling it in normal planting rate applies; and
- 83.22 (9) for native grasses and wildflower seed, \$1 per hundredweight.
- 83.23 (e) If, for reasons beyond the control and knowledge of the labeler, seed is shipped into
- 83.24 Minnesota by a person other than the labeler, the responsibility for the seed fees are
- 83.25 transferred to the shipper. An application for a transfer of this responsibility must be made
- 83.26 to the commissioner. Upon approval by the commissioner of the transfer, the shipper is
- 83.27 responsible for payment of the seed permit fees.
- 83.28 (f) Seed permit fees may be included in the cost of the seed either as a hidden cost or as
- 83.29 a line item cost on each invoice for seed sold. To identify the fee on an invoice, the words
- 83.30 "Minnesota seed permit fees" must be used.

84.1 (g) All seed fee permit holders must file semiannual reports with the commissioner,
 84.2 even if no seed was sold during the reporting period. Each semiannual report must be
 84.3 submitted within 30 days of the end of each reporting period. The reporting periods are
 84.4 ~~October 1 to March 31 and April 1 to September 30 of each year or July 1 to December 31~~
 84.5 ~~and January 1 to June 30 of each year~~ must be determined by the commissioner and
 84.6 communicated annually to permit holders. Permit holders may change their reporting periods
 84.7 with the approval of the commissioner.

84.8 (h) The holder of a seed fee permit must pay fees on all seed for which the permit holder
 84.9 is the labeler and which are covered by sections 21.80 to 21.92 and sold during the reporting
 84.10 period.

84.11 (i) If a seed fee permit holder fails to submit a semiannual report and pay the seed fee
 84.12 within 30 days after the end of each reporting period, the commissioner shall assess a penalty
 84.13 of \$100 or eight percent, calculated on an annual basis, of the fee due, whichever is greater,
 84.14 but no more than \$500 for each late semiannual report. A \$15 penalty must be charged when
 84.15 the semiannual report is late, even if no fee is due for the reporting period. Seed fee permits
 84.16 may be revoked for failure to comply with the applicable provisions of this paragraph or
 84.17 the Minnesota seed law.

84.18 Sec. 33. Minnesota Statutes 2025 Supplement, section 28A.04, subdivision 1, is amended
 84.19 to read:

84.20 Subdivision 1. **Application; date of issuance.** (a) Except as provided under section
 84.21 28A.152, no person ~~shall~~ may engage in the business of manufacturing, processing, selling,
 84.22 handling, or storing food without having first obtained from the commissioner a license for
 84.23 doing such business. Applications for such license ~~shall~~ must be made to the commissioner
 84.24 in such manner and time as required and upon such forms as provided by the commissioner
 84.25 and ~~shall~~ must contain the name and address of the applicant, address or description of each
 84.26 place of business, and the nature of the business to be conducted at each place, and such
 84.27 other pertinent information as the commissioner may require.

84.28 (b) An applicant for a license must submit a nonrefundable application fee of \$50 with
 84.29 each license application. The fee under this paragraph does not apply to annual license
 84.30 renewals. The fee under this paragraph is not required for applications to operate solely as
 84.31 a special event food stand or custom exempt food handler.

84.32 (c) A food handler license ~~shall~~ must be issued for the period January 1 to December
 84.33 31 and ~~shall~~ must be renewed thereafter by the licensee on or before January 1 of each year,
 84.34 except that:

85.1 (1) retail and wholesale food handler licenses issued for the period of July 1, 2025, to
85.2 June 30, 2026, must be renewed on or before July 1, 2026, for the period of July 1, 2026,
85.3 to December 31, 2026. The renewal fee for the period of July 1, 2026, to December 31,
85.4 2026, is one-half of the fee for a food handler specified in section 28A.08, subdivision 3;

85.5 (2) licenses for all mobile food concession units and retail mobile units must be issued
85.6 for the period April 1 to March 31, and must be renewed thereafter by the licensee on or
85.7 before April 1 of each year. A license issued for a temporary food concession stand must
85.8 have a license issuance and renewal date consistent with appropriate statutory provisions;
85.9 and

85.10 (3) a license for a food handler operating only at the State Fair must be issued for the
85.11 period of July 1 to June 30 and must be renewed thereafter by the licensee on or before July
85.12 1 of each year.

85.13 (d) A penalty for late renewal under paragraph ~~(b)~~ (c) must be assessed in accordance
85.14 with section 28A.08.

85.15 (e) A custom exempt food handler license ~~shall~~ must be issued for the period July 1 to
85.16 June 30 and must be renewed thereafter by the licensee on or before July 1 each year. The
85.17 custom exempt food handler license is for businesses that only conduct custom exempt
85.18 operations and mark all products as "Not For Sale." Food handlers that conduct retail exempt
85.19 operations or other operations other than custom exempt processing or slaughter are not
85.20 eligible for this license.

85.21 (f) On a quarterly basis during the licensing period, the commissioner must prorate the
85.22 fee for an initial license issued under this chapter, except that:

85.23 (1) a person applying for a new license up to 14 calendar days before the effective date
85.24 of the new license period under paragraph (c) must be issued a license for the 14 days and
85.25 the next license year as a single license and pay a single license fee as if the 14 days were
85.26 part of the upcoming license period; and

85.27 (2) a person applying for a license to operate as a special event food stand must pay the
85.28 entire fee specified in section 28A.08, subdivision 3, regardless of when the application is
85.29 filed.

86.1 Sec. 34. Minnesota Statutes 2024, section 28A.0752, is amended to read:

86.2 **28A.0752 DELEGATION OF POWERS AND DUTIES.**

86.3 Subdivision 1. **Agreements to perform duties of commissioner.** (a) The commissioner
 86.4 may enter into agreements to delegate ~~licensing and inspection~~ duties of the commissioner
 86.5 to community health boards pertaining to ~~retail~~ food handlers ~~shall~~ whose primary mode
 86.6 of business is to sell or to process and sell food directly to the ultimate consumer. An
 86.7 agreement under this section may include duties of licensing, inspection, reporting, and
 86.8 enforcement duties authorized under ~~sections~~ this chapter and chapters 29 and 30; section
 86.9 17.04, ~~29.21, 29.23, 29.235, 29.236, 29.237, 29.24, 29.25, 29.26, 29.27, and 30.49;~~
 86.10 appropriate sections of the Minnesota Food Law, chapters 31 and 34A;₂ and applicable
 86.11 Minnesota food rules.

86.12 (b) Agreements under this section are subject to subdivision 3.

86.13 (c) ~~This subdivision does not affect agreements entered into under section 28A.075 or~~
 86.14 ~~current cooperative agreements which base inspections and licensing responsibility on the~~
 86.15 ~~firm's most predominant mode of business.~~ The commissioner must not delegate duties
 86.16 under this section pertaining to custom exempt food handlers and food handlers inspected
 86.17 under the state meat inspection program under chapter 31A.

86.18 (d) The commissioner must not delegate duties under this section pertaining to food
 86.19 handlers whose principal mode of business is to sell food to other business entities or
 86.20 establishments for resale.

86.21 (e) The commissioner must not delegate duties under this section pertaining to food
 86.22 handlers who conduct activities regulated under Code of Federal Regulations, title 21, part
 86.23 111; 112; 113; 114; 117, subpart C; 120; or 123.

86.24 Subd. 2. **Approval of agreements.** (a) An agreement under this section to delegate
 86.25 ~~licensing and inspection of retail food handlers~~ duties to a community health board must
 86.26 be approved by the commissioner ~~and is subject to subdivision 3.~~

86.27 (b) An agreement to delegate the commissioner's duties to a designated agent established
 86.28 before January 1, 2025, remains in effect if the designated agent's performance continues
 86.29 to meet the standards necessary to substitute for the commissioner's duties and complies
 86.30 with the requirements of subdivisions 1 and 3.

86.31 Subd. 3. **Terms of agreements.** (a) Agreements authorized under this section must be
 86.32 in writing and signed by the ~~delegating authority~~ commissioner and the designated agent.

87.1 (b) ~~The~~ An agreement under this section must list criteria that the delegating authority
 87.2 commissioner will use to determine if the designated agent's performance meets appropriate
 87.3 standards and is sufficient to replace performance by the ~~delegating authority~~ commissioner.

87.4 (c) ~~The~~ An agreement under this section may specify minimum staff requirements and
 87.5 qualifications, set procedures for the assessment of costs, and provide for termination
 87.6 procedures if the ~~delegating authority~~ commissioner determines that the designated agent
 87.7 has failed to comply with the agreement.

87.8 (d) A designated agent must operate according to the requirements of section 28A.06.

87.9 (e) By December 31, 2028, a designated agent that entered into an agreement to delegate
 87.10 the commissioner's duties to the designated agent before January 1, 2025, must comply with
 87.11 section 28A.06.

87.12 ~~(d)~~ (f) ~~The delegating authority~~ commissioner and the designated agent are required to
 87.13 perform inspections utilizing the Minnesota Food Code's minimum and maximum standards.

87.14 ~~(e)~~ (g) A designated agent must not perform licensing, inspection, reporting, or
 87.15 enforcement duties under ~~the an~~ agreement under this section in a territory outside its
 87.16 jurisdiction unless approved by the commissioner and governing body for that territory
 87.17 through a separate agreement.

87.18 (h) A designated agent may charge a fee to recover the estimated costs of performing
 87.19 duties according to terms of an agreement under this section if the duties involve enforcing
 87.20 the Minnesota Food Law and applicable Minnesota food rules. The fee charged by the
 87.21 designated agent must be fair, reasonable, and proportionate to the actual cost of the duties
 87.22 performed by the designated agent. A designated agent must only use a fee under this
 87.23 paragraph to cover the costs of performing duties according to terms of the agreement under
 87.24 this section.

87.25 ~~(f)~~ (i) The scope of agreements established under this section is limited to duties and
 87.26 responsibilities agreed upon by the parties. The agreement may provide for automatic
 87.27 renewal and for notice of intent to terminate by either party.

87.28 ~~(g)~~ (j) During the life of ~~the an~~ agreement under this section, the ~~delegating authority~~
 87.29 ~~shall~~ commissioner must not perform duties that the designated agent is required to perform
 87.30 under the agreement, except inspections necessary to determine compliance with the
 87.31 agreement and this section or as agreed to by the parties.

87.32 ~~(h)~~ (k) ~~The delegating authority shall~~ commissioner must consult with, advise, and assist
 87.33 a designated agent in the performance of its duties under the agreement.

88.1 ~~(1)~~ (1) This section does not alter the responsibility of the ~~delegating authority~~
 88.2 commissioner for the performance of duties specified by law and rule.

88.3 Sec. 35. Minnesota Statutes 2025 Supplement, section 28A.08, subdivision 3, is amended
 88.4 to read:

88.5 **Subd. 3. Fees effective August 1, 2025.**

88.6	Type of food handler	Risk Category	License Fee	Penalties	
88.7				Late Renewal	No License
88.9	1. Custom exempt food handler				
88.10	(a) Having \$50,000 or less gross sales or				
88.11	service for the immediately previous				
88.12	license or fiscal year		\$135	\$45	\$90
88.13	(b) Having \$50,001 to \$125,000 gross sales				
88.14	or service for the immediately previous				
88.15	license or fiscal year		\$200	\$67	\$133
88.16	(c) Having \$125,001 to \$500,000 gross				
88.17	sales or service for the immediately				
88.18	previous license or fiscal year		\$370	\$123	\$247
88.19	(d) Having \$500,001 to \$1,000,000 gross				
88.20	sales or service for the immediately				
88.21	previous license or fiscal year		\$475	\$158	\$317
88.22	(e) Having \$1,000,001 to \$5,000,000 gross				
88.23	sales or service for the immediately				
88.24	previous license or fiscal year		\$1,350	\$450	\$900
88.25	(f) Having \$5,000,001 to \$10,000,000 gross				
88.26	sales or service for the immediately				
88.27	previous license or fiscal year		\$1,750	\$583	\$1,167
88.28	(g) Having \$10,000,001 to \$15,000,000				
88.29	gross sales or service for the immediately				
88.30	previous license or fiscal year		\$2,150	\$717	\$1,433
88.31	(h) Having \$15,000,001 to \$20,000,000				
88.32	gross sales or service for the immediately				
88.33	previous license or fiscal year		\$2,550	\$849	\$1,700
88.34	(i) Having \$20,000,001 to \$25,000,000				
88.35	gross sales or service for the immediately				
88.36	previous license or fiscal year		\$2,950	\$984	\$1,967
88.37	(j) Having over \$25,000,001 gross sales or				
88.38	service for the immediately previous				
88.39	license or fiscal year		\$3,350	\$1,117	\$2,233
88.40	2. Food handler				
88.41	(a) Having gross sales of only prepackaged				
88.42	nonperishable food of less than \$30,000				
88.43	for the immediately previous license or		\$90	\$30	\$60

89.1	fiscal year and filing a statement with the				
89.2	commissioner				
89.3	(b) Having gross sales or service of less	High	\$285	\$95	\$190
89.4	than \$50,000 for the immediately previous	Medium	\$195	\$65	\$130
89.5	license or fiscal year	Low	\$135	\$45	\$90
89.6	(c) Having \$50,001 to \$125,000 gross sales	High	\$350	\$117	\$233
89.7	or service for the immediately previous	Medium	\$260	\$87	\$173
89.8	license or fiscal year	Low	\$200	\$67	\$133
89.9	(d) Having \$125,001 to \$250,000 gross	High	\$415	\$138	\$277
89.10	sales or service for the immediately	Medium	\$350	\$117	\$233
89.11	previous license or fiscal year	Low	\$265	\$88	\$177
89.12	(e) Having \$250,001 to \$500,000 gross	High	\$520	\$173	\$347
89.13	sales or service for the immediately	Medium	\$430	\$143	\$287
89.14	previous license or fiscal year	Low	\$370	\$123	\$247
89.15	(f) Having \$500,001 to \$1,000,000 gross	High	\$625	\$208	\$417
89.16	sales or service for the immediately	Medium	\$535	\$178	\$357
89.17	previous license or fiscal year	Low	\$475	\$158	\$317
89.18	(g) Having \$1,000,001 to \$5,000,000 gross	High	\$1,500	\$500	\$1,000
89.19	sales or service for the immediately	Medium	\$1,425	\$475	\$950
89.20	previous license or fiscal year	Low	\$1,350	\$450	\$900
89.21	(h) Having \$5,000,001 to \$10,000,000	High	\$1,900	\$633	\$1,267
89.22	gross sales or service for the immediately	Medium	\$1,825	\$608	\$1,217
89.23	previous license or fiscal year	Low	\$1,750	\$583	\$1,167
89.24	(i) Having \$10,000,001 to \$15,000,000	High	\$2,300	\$767	\$1,533
89.25	gross sales or service for the immediately	Medium	\$2,225	\$742	\$1,483
89.26	previous license or fiscal year	Low	\$2,150	\$717	\$1,433
89.27	(j) Having \$15,000,001 to \$20,000,000	High	\$2,700	\$900	\$1,800
89.28	gross sales or service for the immediately	Medium	\$2,625	\$875	\$1,750
89.29	previous license or fiscal year	Low	\$2,550	\$849	\$1,700
89.30	(k) Having \$20,000,001 to \$25,000,000	High	\$3,100	\$1,033	\$2,067
89.31	gross sales or service for the immediately	Medium	\$3,025	\$1,008	\$2,017
89.32	previous license or fiscal year	Low	\$2,950	\$984	\$1,967
89.33	(l) Having \$25,000,001 to \$50,000,000	High	\$3,500	\$1,167	\$2,333
89.34	gross sales or service for the immediately	Medium	\$3,425	\$1,142	\$2,283
89.35	previous license or fiscal year	Low	\$3,350	\$1,117	\$2,233
89.36	(m) Having \$50,000,001 to \$100,000,000	High	\$4,000	\$1,334	\$2,667
89.37	gross sales or service for the immediately	Medium	\$3,925	\$1,309	\$2,617
89.38	previous license or fiscal year	Low	\$3,850	\$1,284	\$2,567
89.39	(n) Having \$100,000,001 or more gross	High	\$4,500	\$1,500	\$3,000
89.40	sales or service for the immediately	Medium	\$4,425	\$1,475	\$2,950
89.41	previous license or fiscal year	Low	\$4,350	\$1,450	\$2,900
89.42	3. Food handler operating under authority of				
89.43	this chapter solely as a special event food				
89.44	stand as defined in Minnesota Statutes,				
89.45	section 157.15		\$75	\$25	\$50
89.46	4. Meat or poultry processing solely under				
89.47	supervision of the U.S. Department of				
89.48	Agriculture				

90.1	(a) Having gross sales or service of less			
90.2	than \$125,000 for the immediately previous			
90.3	license or fiscal year	\$190	\$63	\$127
90.4	(b) Having \$125,001 to \$250,000 gross			
90.5	sales or service for the immediately			
90.6	previous license or fiscal year	\$365	\$122	\$243
90.7	(c) Having \$250,001 to \$500,000 gross			
90.8	sales or service for the immediately			
90.9	previous license or fiscal year	\$450	\$150	\$300
90.10	(d) Having \$500,001 to \$1,000,000 gross			
90.11	sales or service for the immediately			
90.12	previous license or fiscal year	\$565	\$188	\$377
90.13	(e) Having \$1,000,001 to \$5,000,000 gross			
90.14	sales or service for the immediately			
90.15	previous license or fiscal year	\$725	\$241	\$483
90.16	(f) Having \$5,000,001 to \$10,000,000 gross			
90.17	sales or service for the immediately			
90.18	previous license or fiscal year	\$885	\$295	\$590
90.19	(g) Having \$10,000,001 to \$15,000,000			
90.20	gross sales or service for the immediately			
90.21	previous license or fiscal year	\$1,305	\$435	\$807
90.22	(h) Having \$15,000,001 to \$20,000,000			
90.23	gross sales or service for the immediately			
90.24	previous license or fiscal year	\$1,515	\$505	\$1,010
90.25	(i) Having \$20,000,001 to \$25,000,000			
90.26	gross sales or service for the immediately			
90.27	previous license or fiscal year	\$1,745	\$582	\$1,163
90.28	(j) Having \$25,000,001 to \$50,000,000			
90.29	gross sales or service for the immediately			
90.30	previous license or fiscal year	\$1,975	\$658	\$1,317
90.31	(k) Having \$50,000,001 to \$100,000,000			
90.32	gross sales or service for the immediately			
90.33	previous license or fiscal year	\$2,215	\$738	\$1,477
90.34	(l) Having \$100,000,001 or more gross			
90.35	sales or service for the immediately			
90.36	previous license or fiscal year	\$2,465	\$822	\$1,643

90.37 Sec. 36. Minnesota Statutes 2024, section 29.21, is amended by adding a subdivision to
 90.38 read:

90.39 Subd. 12. Quality assurance date. "Quality assurance date" means any date after which
 90.40 the manufacturer or processor reasonably determines that the product may, by spoilage,
 90.41 wiltage, drying, or any other foreseeable and natural phenomenon, lose palatability or desired
 90.42 or nutritive properties.

91.1 Sec. 37. Minnesota Statutes 2024, section 29.26, is amended to read:

91.2 **29.26 EGGS IN POSSESSION OF RETAILER.**

91.3 (a) All eggs sold or offered for sale at retail must have been candled and graded and
 91.4 must be clearly labeled according to Minnesota consumer grades as established by rule
 91.5 under section 29.23. No eggs shall be sold or offered for sale as "ungraded," "unclassified,"
 91.6 or by any other name that does not clearly designate the grade. All eggs in possession of
 91.7 the retailer, either in temporary storage or on display, must be held at a temperature not to
 91.8 exceed 45 degrees Fahrenheit (7 degrees Celsius).

91.9 (b) Grade AA eggs held 31 days past the coded pack date for Grade AA eggs, or Grade
 91.10 A eggs held 46 days past the coded pack date for Grade A eggs, lose their grades and must
 91.11 be removed from sale-, except eggs that are past their quality assurance date may be donated
 91.12 to and distributed by charitable food assistance programs if the eggs:

91.13 (1) are contained in their original packaging;

91.14 (2) have previously been candled and graded;

91.15 (3) are continuously refrigerated;

91.16 (4) are distributed to the end consumer prior to 30 days past the original quality assurance
 91.17 date; and

91.18 (5) are contained in packaging affixed with a label that includes the following information:

91.19 (i) the name of the charitable food assistance program distributing the eggs;

91.20 (ii) a "distribute by" date of no more than 30 days past the original quality assurance
 91.21 date; and

91.22 (iii) the following statement: "Donated Eggs - Not for Resale."

91.23 Sec. 38. Minnesota Statutes 2024, section 32D.30, subdivision 5, is amended to read:

91.24 Subd. 5. **Reporting.** No later than ~~July 1~~ September 15 of each even-numbered year,
 91.25 the commissioner must submit a detailed accomplishment report and work plan detailing
 91.26 future plans for, and the actual and anticipated accomplishments from, expenditures under
 91.27 this section to the chairs and ranking minority members of the legislative committees and
 91.28 divisions with jurisdiction over agriculture policy and finance. If the commissioner
 91.29 significantly modifies a submitted work plan ~~during the fiscal year~~, the commissioner must
 91.30 notify the chairs and ranking minority members.

92.1 Sec. 39. Minnesota Statutes 2024, section 41A.19, is amended to read:

92.2 **41A.19 REPORT; INCENTIVE PROGRAMS.**

92.3 ~~By January 15~~ Each year, the commissioner shall report on the incentive programs under
92.4 sections 41A.16, 41A.17, 41A.18, and 41A.20 to the legislative committees with jurisdiction
92.5 over environment and agriculture policy and finance in the report under section 41A.12,
92.6 subdivision 3. The report shall include information on production and incentive expenditures
92.7 under the programs.

92.8 Sec. 40. Minnesota Statutes 2024, section 583.215, is amended to read:

92.9 **583.215 EXPIRATION.**

92.10 Sections 336.9-601, subsections (h) and (i); 550.365; 559.209; 582.039; and 583.20 to
92.11 583.32, expire June 30, ~~2027~~ 2032.

92.12 Sec. 41. **REPEALER.**

92.13 Minnesota Statutes 2024, sections 18K.02, subdivision 7; 18K.03, subdivision 2; and
92.14 28A.075, are repealed.

92.15 **ARTICLE 6**

92.16 **ENVIRONMENT AND NATURAL RESOURCES**

92.17 Section 1. Laws 2023, chapter 40, article 4, section 2, subdivision 6, as amended by Laws
92.18 2025, chapter 36, article 4, section 15, is amended to read:

92.19 **Subd. 6. Department of Administration** 17,040,000 14,105,000

92.20 (a) The amounts in this subdivision are
92.21 appropriated to the commissioner of
92.22 administration for grants to the named
92.23 organizations for the purposes specified in this
92.24 subdivision. The commissioner of
92.25 administration may use a portion of this
92.26 appropriation for costs that are directly related
92.27 to and necessary for the administration of
92.28 grants in this subdivision.

92.29 (b) Grant agreements entered into by the
92.30 commissioner and recipients of appropriations
92.31 under this subdivision must ensure that money

93.1 appropriated in this subdivision is used to
93.2 supplement and not substitute for traditional
93.3 sources of funding.

93.4 **(c) Minnesota Public Radio**

93.5 \$2,050,000 each year is for Minnesota Public
93.6 Radio to create programming and expand news
93.7 service on Minnesota's cultural heritage and
93.8 history.

93.9 **(d) Association of Minnesota Public Educational**
93.10 **Radio Stations**

93.11 \$2,050,000 the first year and \$2,050,000 the
93.12 second year are to the Association of
93.13 Minnesota Public Educational Radio Stations
93.14 for production and acquisition grants in
93.15 accordance with Minnesota Statutes, section
93.16 129D.19.

93.17 **(e) Public Television**

93.18 \$5,000,000 the first year and \$4,500,000 the
93.19 second year are to the Minnesota Public
93.20 Television Association for production and
93.21 acquisition grants according to Minnesota
93.22 Statutes, section 129D.18. Of the amount in
93.23 the first year, \$1,000,000 is for producing
93.24 Minnesota military and veterans' history
93.25 stories and unique immigrant stories from
93.26 around the state.

93.27 **(f) Wilderness Inquiry**

93.28 \$500,000 the first year and \$600,000 the
93.29 second year are to Wilderness Inquiry to
93.30 preserve Minnesota's outdoor history, culture,
93.31 and heritage by connecting Minnesota youth
93.32 and families to natural resources.

93.33 **(g) Como Park Zoo**

94.1 \$1,725,000 each year is to the Como Park Zoo
94.2 and Conservatory for program development
94.3 that features educational programs and habitat
94.4 enhancement, special exhibits, music
94.5 appreciation programs, and historical garden
94.6 access and preservation.

94.7 **(h) Science Museum of Minnesota**

94.8 \$825,000 each year is to the Science Museum
94.9 of Minnesota for arts, arts education, and arts
94.10 access and to preserve Minnesota's history and
94.11 cultural heritage, including student and teacher
94.12 outreach, statewide educational initiatives, and
94.13 community-based exhibits that preserve
94.14 Minnesota's history and cultural heritage.

94.15 **(i) Appetite for Change**

94.16 \$200,000 the first year is to the nonprofit
94.17 Appetite for Change for the Community Cooks
94.18 programming, which will preserve the cultural
94.19 heritage of growing and cooking food in
94.20 Minnesota.

94.21 **(j) Lake Superior Zoo**

94.22 \$150,000 each year is to the Lake Superior
94.23 Zoo to develop educational exhibits and
94.24 programs.

94.25 **(k) Great Lakes Aquarium**

94.26 \$250,000 each year is to the Lake Superior
94.27 Center Authority to prepare, fabricate, and
94.28 install a hands-on exhibit with interactive
94.29 learning components to educate Minnesotans
94.30 on the history of the natural landscape of the
94.31 state.

94.32 **(l) State Band**

95.1 \$25,000 the first year and \$25,000 the second
95.2 year are to the Minnesota state band to provide
95.3 free concerts throughout the state.

95.4 **(m) Veterans Memorial Park in Wyoming**

95.5 \$100,000 the first year is for a grant to the city
95.6 of Wyoming to build the Veterans Memorial
95.7 Plaza and related interpretive walk in Railroad
95.8 Park.

95.9 **(n) Great Northern Festival**

95.10 \$75,000 the first year and \$75,000 the second
95.11 year are for a grant to support the Great
95.12 Northern Festival, which connects attendees
95.13 to parks, outdoor spaces, and cultural venues
95.14 through a festival.

95.15 **(o) Governor's Council on Developmental
95.16 Disabilities**

95.17 \$50,000 the first year is to the Minnesota
95.18 Governor's Council on Developmental
95.19 Disabilities to continue to preserve and raise
95.20 awareness of the history of Minnesotans with
95.21 developmental disabilities.

95.22 **(p) Minnesota Council on Disability**

95.23 \$125,000 the first year and \$125,000 the
95.24 second year are to the Minnesota Council on
95.25 Disability to provide educational opportunities
95.26 in the arts, history, and cultural heritage of
95.27 Minnesotans with disabilities in conjunction
95.28 with the 50th anniversary of the Minnesota
95.29 Council on Disability. This appropriation is
95.30 available until June 30, 2027.

95.31 **(q) Keller Regional Park**

95.32 \$500,000 the first year is for a grant to Ramsey
95.33 County to preserve Minnesota's cultural

96.1 heritage by enhancing the tuj lub courts at
96.2 Keller Regional Park.

96.3 **(r) Vietnam War Anniversary**

96.4 \$250,000 the first year is for a grant to the
96.5 commissioner of veterans affairs to prepare
96.6 and host a commemoration program for the
96.7 50th anniversary of the Vietnam War.

96.8 **(s) St. Paul Cultural Art Installation**

96.9 \$500,000 the first year is for a grant to
96.10 ~~Forecast Public Art for an~~ the city of St. Paul
96.11 for a public art installation celebrating
96.12 Olympic gold medalist Suni Lee. The project
96.13 funded by this paragraph must be located in
96.14 St. Paul at the Conway Recreation Center or,
96.15 if that site is not practicable, at Lake Phalen
96.16 at the platform containing the bust of Suni
96.17 Lee. This appropriation is available until June
96.18 30, ~~2027~~ 2028.

96.19 **(t) One Heartland Center**

96.20 \$50,000 each year is for a grant to One
96.21 Heartland Center for programming and
96.22 outdoor activities for families and youth in
96.23 Minnesota.

96.24 **(u) Forest Lake Veterans Memorial**

96.25 \$100,000 the first year is for a grant to the
96.26 Forest Lake Veterans Memorial Committee
96.27 to construct a memorial to veterans of the
96.28 United States armed forces at Lakeside
96.29 Memorial Park in the city of Forest Lake. This
96.30 appropriation is available until June 30, 2027.

96.31 **(v) Hmong Plaza**

97.1 \$450,000 the first year is for a grant to the city
97.2 of St. Paul to construct the Hmong Plaza at
97.3 Phalen Lake.

97.4 **(w) Camille Gage Artist Fellowship**

97.5 \$55,000 the first year and \$55,000 the second
97.6 year are for a grant to YWCA Minneapolis to
97.7 fund an annual fellowship to be known as the
97.8 Camille J. Gage Artist Fellowship. Of this
97.9 amount, up to \$5,000 each year may be used
97.10 for administrative expenses. YWCA
97.11 Minneapolis must select a person for the
97.12 Camille J. Gage Artist Fellowship after an
97.13 application process that allows both
97.14 applications by interested persons and
97.15 nominations of persons by third parties. By
97.16 October 1, 2026, YWCA Minneapolis must
97.17 report to the chairs and ranking minority
97.18 members of the legislative committees and
97.19 divisions with jurisdiction over legacy on the
97.20 use of money appropriated under this
97.21 paragraph and on the activities of the person
97.22 selected for the Camille J. Gage Artist
97.23 Fellowship under this paragraph. This
97.24 appropriation is available until June 30, 2026.

97.25 **(x) Minnesota African American Heritage**
97.26 **Museum and Gallery**

97.27 \$235,000 the first year and \$125,000 the
97.28 second year are for arts and cultural heritage
97.29 programming celebrating African American
97.30 and Black communities in Minnesota. Of the
97.31 amount in the first year, \$110,000 is for C.
97.32 Caldwell Fine Arts for an outdoor mural
97.33 project in North Minneapolis to work with
97.34 young people to develop skills while using art
97.35 as the impetus.

98.1 **(y) Tibetan American Foundation of Minnesota**

98.2 \$25,000 the first year and \$25,000 the second
98.3 year are for a grant to the Tibetan American
98.4 Foundation of Minnesota to celebrate and
98.5 teach the art, culture, and heritage of Tibetan
98.6 Americans in Minnesota.

98.7 **(z) Hong De Wu Guan**

98.8 \$25,000 the first year is for a grant to Hong
98.9 De Wu Guan to create cultural arts projects
98.10 like Lion Dance for after-school programs for
98.11 youth.

98.12 **(aa) Sepak Takraw of USA**

98.13 \$50,000 the first year is for a grant to the
98.14 Sepak Takraw of USA to work with youth and
98.15 after-school programs in the community to
98.16 teach the cultural games of tuj lub and sepak
98.17 takraw. This appropriation may not be used
98.18 to hold events.

98.19 **(bb) 30,000 Feet**

98.20 \$75,000 the first year and \$75,000 the second
98.21 year are for a grant to 30,000 Feet, a nonprofit
98.22 organization, to help youth and community
98.23 artists further develop their artistic skills, to
98.24 create community art and artistic
98.25 performances, and to promote and share
98.26 African American history and culture through
98.27 the arts.

98.28 **(cc) Siengkane Lao Minnesota**

98.29 \$50,000 the first year and \$50,000 the second
98.30 year are for a grant to Siengkane Lao MN to
98.31 create cultural arts projects and to preserve
98.32 traditional performances.

98.33 **(dd) Hmong Cultural Center**

99.1 \$150,000 the first year and \$150,000 the
99.2 second year are for a grant to the Hmong
99.3 Cultural Center of Minnesota for
99.4 museum-related programming and educational
99.5 outreach activities to teach the public about
99.6 the historical, cultural, and folk arts heritage
99.7 of Hmong Minnesotans.

99.8 **(ee) Comunidades Latinas Unidas En Servicio**

99.9 \$250,000 the first year and \$250,000 the
99.10 second year are for a grant to Comunidades
99.11 Latinas Unidas En Servicio (CLUES) to
99.12 expand arts programming to celebrate Latino
99.13 cultural heritage; support local artists; and
99.14 provide professional development, networking,
99.15 and presentation opportunities.

99.16 **(ff) Hmong RPA Writing System**

99.17 \$300,000 the first year and \$300,000 the
99.18 second year are for grants to recipients who
99.19 have demonstrated knowledge and interest in
99.20 preserving Hmong culture to preserve Hmong
99.21 Minnesotans' heritage, history, language, and
99.22 culture. Grants must be used in conjunction
99.23 with Minnesota universities to improve and
99.24 develop a unified and standardized Latin
99.25 alphabet form of the Hmong RPA writing
99.26 system. No portion of this appropriation may
99.27 be used to encourage religious membership
99.28 or to conduct personal ceremonies or events.
99.29 This appropriation is available until June 30,
99.30 2028.

99.31 **(gg) Somali Museum of Minnesota**

99.32 \$125,000 the first year and \$125,000 the
99.33 second year are for a grant to the Somali
99.34 Museum of Minnesota for heritage arts and

100.1 cultural vitality programs to provide classes,
100.2 exhibits, presentations, and outreach about the
100.3 Somali community and heritage in Minnesota.

100.4 **(hh) Minnesota Museum of American Art**

100.5 \$200,000 the first year and \$200,000 the
100.6 second year are for a grant to the Minnesota
100.7 Museum of American Art for exhibit
100.8 programming and for a Native American
100.9 Fellowship at the museum.

100.10 **(ii) Fanka Programs**

100.11 \$250,000 the first year and \$250,000 the
100.12 second year are for a grant to Ka Joog
100.13 statewide Somali-based collaborative
100.14 programs for arts and cultural heritage. The
100.15 funding must be used for Fanka programs to
100.16 provide arts education and workshops, mentor
100.17 programs, and community presentations and
100.18 community engagement events throughout
100.19 Minnesota.

100.20 **(jj) The Bakken Museum**

100.21 \$150,000 the first year is for a grant to The
100.22 Bakken Museum for interactive exhibits and
100.23 outreach programs on arts and cultural
100.24 heritage.

100.25 **(kk) 4-H Shooting Sports**

100.26 \$50,000 the first year is to the University of
100.27 Minnesota Extension Office to provide grants
100.28 to Minnesota 4-H chapters that have members
100.29 participating in state and national
100.30 4-H-sanctioned shooting sports events.
100.31 Eligible costs for grant money include
100.32 shooting sports equipment and supplies and
100.33 event fees associated with participating in state
100.34 shooting sports events.

101.1 **(ll) Public Art Saint Paul**

101.2 \$75,000 each year is for a grant to Public Art
 101.3 Saint Paul for art programming at the Wakpa
 101.4 Triennial Art Festival to showcase new art
 101.5 across the Twin Cities by Minnesota artists in
 101.6 outdoor and indoor settings and to encourage
 101.7 visitors to experience the arts and culture
 101.8 produced by local arts and culture
 101.9 organizations.

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

101.11 Sec. 2. Laws 2024, chapter 90, article 1, section 52, is amended to read:

101.12 Sec. 52. **EFFECTIVE DATE.**

101.13 (a) Sections 4 to 51, 4, 7, 10 to 12, 14 to 17, and 19 to 51, and the amendments to
 101.14 Minnesota Rules, parts 6100.5002, 6213.0100, 6213.0400, 6213.0500, 6232.0200, 6232.0300,
 101.15 6232.0400, 6232.0500, 6232.0900, 6232.1250, 6232.1300, 6232.1600, 6232.1950, 6232.1970,
 101.16 6232.1980, 6232.2550, 6232.2800, 6232.3100, 6232.4400, 6234.1600, 6234.1700, 6234.2000,
 101.17 6234.2600, 6236.0300, 6236.0500, 6236.0950, 6237.0200, 6262.1000, 6262.3200, 6264.0400,
 101.18 and 6266.0700, and the repealer as adopted by the commissioner of natural resources and
 101.19 published in the State Register, volume 49, page 1416, June 30, 2025, are effective upon
 101.20 full implementation of the replacement electronic license, permits, and pass portions of the
 101.21 electronic license system.

101.22 (b) Sections 5, 6, 8, 9, 13, and 18 are effective upon full implementation of the vehicle
 101.23 registration portions of the electronic license system.

101.24 (c) The commissioner of natural resources must notify the revisor of statutes when the
 101.25 replacement electronic license system is fully implemented. portions of the replacement
 101.26 electronic licensing system governed by the sections and rule modifications described in
 101.27 paragraph (a) are fully implemented and when the portions of the replacement electronic
 101.28 licensing system governed by the sections described in paragraph (b) are fully implemented.

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

102.1 Sec. 3. **APPROPRIATION EXTENSIONS.**

102.2 **Subdivision 1. Parks and trails fund appropriation extensions.** (a) The availability
102.3 of the grant to the St. Louis and Lake Counties Regional Railroad Authority for the Mesabi
102.4 Trail project from the parks and trails fund fiscal year 2024 appropriation under Laws 2023,
102.5 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

102.6 (b) The availability of the grant to Olmsted County for the Oxbow Park and Zollman
102.7 Zoo project from the parks and trails fund fiscal year 2024 appropriation under Laws 2023,
102.8 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

102.9 (c) The availability of the grant to Stearns County for the Kraemer Lake and Wildwood
102.10 County Park project from the parks and trails fund fiscal year 2024 appropriation under
102.11 Laws 2023, chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

102.12 (d) The availability of the grant to Redwood County for the Plum Creek Park project
102.13 from the parks and trails fund fiscal year 2024 appropriation under Laws 2023, chapter 40,
102.14 article 3, section 3, paragraph (c), is extended to June 30, 2027.

102.15 (e) The availability of the grant to the city of Sandstone for the Robinson Quarry Park
102.16 project from the parks and trails fund fiscal year 2025 appropriation under Laws 2023,
102.17 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

102.18 (f) The availability of the appropriation for coordination and projects between partners
102.19 from the parks and trails fund in fiscal year 2024 under Laws 2023, chapter 40, article 3,
102.20 section 3, paragraph (f), is extended to June 30, 2027.

102.21 **Subd. 2. Department of Natural Resources appropriation extensions.** (a) The
102.22 appropriation in Laws 2024, chapter 116, article 1, section 3, subdivision 5, for an electronic
102.23 licensing system is available until June 30, 2027.

102.24 (b) The appropriation in Laws 2023, chapter 60, article 1, section 3, subdivision 6,
102.25 paragraph (h), for a grant to expand Minnesota's wild elk population and range is available
102.26 until June 30, 2027.

102.27 **Subd. 3. Metropolitan Council appropriation extensions.** (a) The general fund
102.28 appropriation in Laws 2024, chapter 116, article 1, section 5, for community tree-planting
102.29 grants is available until June 30, 2027.

102.30 (b) The natural resources fund appropriation in Laws 2024, chapter 116, article 1, section
102.31 5, for grants to implementing agencies to plant trees is available until June 30, 2027.

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

103.1 Sec. 4. APPROPRIATION; MINNESOTA ZOOLOGICAL BOARD.

103.2 \$3,800,000 in fiscal year 2026 is appropriated from the general fund to the Minnesota
103.3 Zoological Board. This is a onetime appropriation.

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

103.5 Sec. 5. APPROPRIATION; STUDY OF UNLAWFUL SHIPMENT OF INFECTIOUS
103.6 OR PATHOLOGICAL WASTE.

103.7 (a) By January 1, 2027, the commissioner of the Pollution Control Agency must submit
103.8 a study to the chairs and ranking minority members of the senate and house of representatives
103.9 committees and divisions with primary jurisdiction over environment and health and human
103.10 services on the unlawful transportation of infectious or pathological waste to solid waste
103.11 management facilities. The study must include:

103.12 (1) an assessment of the extent and frequency of unlawful transfer of infectious or
103.13 pathological waste to solid waste management facilities and an assessment of the costs
103.14 associated with those unlawful transfers; and

103.15 (2) recommendations for legislative or policy changes that could be adopted to reduce
103.16 the frequency and cost of unlawful transfers of infectious or pathological waste, including
103.17 an estimate of the costs to state agencies and other affected parties of each option. In
103.18 formulating these recommendations, the commissioner must consider whether the following
103.19 measures might contribute to a reduction in unlawful transfers of infectious or pathological
103.20 waste to solid waste management facilities:

103.21 (i) imposing fines on those who unlawfully transport infectious or pathological waste
103.22 to solid waste management facilities; and

103.23 (ii) undertaking unannounced inspections of infectious or pathological waste generators.

103.24 (b) \$75,000 in fiscal year 2027 is appropriated from the environmental fund to the
103.25 commissioner of the Pollution Control Agency to conduct the study required by this section.
103.26 This is a onetime appropriation.

ARTICLE 7

BATTERY STEWARDSHIP

104.1

104.2

104.3 Section 1. Minnesota Statutes 2024, section 115A.03, is amended by adding a subdivision
104.4 to read:

104.5 Subd. 3b. **Battery.** "Battery" means one or more galvanic cells, including any structural
104.6 members, casing, and terminals.

104.7 **EFFECTIVE DATE.** This section is effective July 1, 2026.

104.8 Sec. 2. Minnesota Statutes 2024, section 115A.03, is amended by adding a subdivision to
104.9 read:

104.10 Subd. 10d. **Facilitate a sale.** "Facilitate a sale" means to assist a person in transferring
104.11 title or possession of a product, regardless of whether title or possession is ever acquired
104.12 by the person facilitating a sale, such as by operating an online marketplace, publishing an
104.13 offer for sale on a website, physically storing inventory of products, entering into a contract
104.14 to allow another person to list a product for sale, processing payment on behalf of another
104.15 person, entering into a contract with a buyer or a seller related to a sale, or otherwise
104.16 providing a sales process. Facilitate a sale does not include acting solely as:

104.17 (1) an advertiser;

104.18 (2) a payment processor; or

104.19 (3) a common carrier.

104.20 **EFFECTIVE DATE.** This section is effective July 1, 2026.

104.21 Sec. 3. **[115A.1331] STEWARDSHIP PROGRAM FOR COVERED BATTERIES;**
104.22 **DEFINITIONS.**

104.23 (a) The terms used in sections 115A.1331 to 115A.1347 have the meanings given in this
104.24 section and section 115A.03.

104.25 (b) "Battery-containing product" means a product:

104.26 (1) in which a covered battery is contained;

104.27 (2) to which a covered battery is attached; or

104.28 (3) with which a covered battery is packaged.

105.1 (c) "Brand" means a mark, a registered or unregistered trademark, a logo, a name, a
105.2 symbol, a word, or an identifier that attributes a product to the owner or licensee of the
105.3 brand.

105.4 (d) "Collection" means receipt of discarded covered batteries from a person, including
105.5 sorting and storage that are necessary for receipt and that are performed by the covered
105.6 battery collector. Collection does not include transport of a covered battery that occurs after
105.7 a covered battery collector receives the covered battery, except for transport by the covered
105.8 battery collector to or between a covered battery collection site or sites operated by the
105.9 covered battery collector.

105.10 (e) "Covered battery" means a loose battery or a battery that is easily removable. A
105.11 covered battery may be of any brand, type, or chemistry. A covered battery includes a
105.12 covered small battery or covered medium battery. A covered battery does not include:

105.13 (1) a lead acid battery regulated under sections 325E.115 and 325E.1151;

105.14 (2) a battery designed, manufactured, and intended solely for use in a motor vehicle;

105.15 (3) a battery contained within a medical device, as specified in United States Code, title
105.16 21, section 321(h), as it existed as of the effective date of this section, that is not designed
105.17 and marketed for sale or resale principally to consumers for personal use;

105.18 (4) a battery removed from a permanent, stationary, energy storage system that requires
105.19 installation and removal by an electrician licensed under chapter 326B;

105.20 (5) a battery transported into the state after the battery is collected in another state; or

105.21 (6) a battery subject to recall for safety reasons.

105.22 (f) "Covered battery collection site" means a physical location where a covered battery
105.23 collector collects covered batteries from other persons, regardless of whether the covered
105.24 battery collector operates the location permanently, temporarily, or for purposes of a
105.25 collection event.

105.26 (g) "Covered battery collector" means a person that collects covered batteries on behalf
105.27 of and under agreement with a covered battery stewardship organization and receives
105.28 reimbursement at the rates determined according to section 115A.1335 from a covered
105.29 battery stewardship organization for the covered battery collector's costs for collection of
105.30 the covered batteries.

105.31 (h) "Covered battery producer" means the following person responsible for compliance
105.32 with requirements under sections 115A.1331 to 115A.1347 for a covered battery sold,

106.1 including online sales, offered for sale or promotional purposes, or distributed in or into the
106.2 state:

106.3 (1) for a covered battery:

106.4 (i) if the covered battery is sold, offered, or distributed under a brand owned by the
106.5 person that manufactured the covered battery, the producer is the person that manufactured
106.6 the covered battery;

106.7 (ii) if the covered battery is sold, offered, or distributed under a brand owned by a person
106.8 other than the person that manufactured the covered battery, the producer is the person that
106.9 owned the brand;

106.10 (iii) if the covered battery is sold, offered, or distributed under a brand licensed to a
106.11 person, the producer is the person that is the licensee of the brand under which the covered
106.12 battery is sold, offered, or distributed, whether or not the brand is registered in the state;

106.13 (iv) if there is no person described in items (i) to (iii) within the United States, the
106.14 producer is the person that imported the covered battery into the United States to be sold,
106.15 offered, or distributed; and

106.16 (v) if there is no person described in items (i) to (iv), the producer is the person that first
106.17 sold, offered, or distributed the covered battery in or into the state;

106.18 (2) for a covered battery contained in, attached to, or packaged with a battery-containing
106.19 product:

106.20 (i) if the battery-containing product is sold, offered, or distributed under a brand owned
106.21 by the person that manufactured it, the producer is the person that manufactured the
106.22 battery-containing product;

106.23 (ii) if the battery-containing product is sold, offered, or distributed under a brand owned
106.24 by a person other than the person that manufactured the battery-containing product, the
106.25 producer is the person that owned the brand;

106.26 (iii) if the battery-containing product is sold, offered, or distributed under a brand licensed
106.27 to a person, the producer is the person that is the licensee of the brand under which the
106.28 battery-containing product is sold, offered, or distributed, whether or not the brand is
106.29 registered in the state;

106.30 (iv) if there is no person described in items (i) to (iii) within the United States, the
106.31 producer is the person that imported the battery-containing product into the United States
106.32 to be sold, offered, or distributed; and

107.1 (v) if there is no person described in items (i) to (iv), the producer is the person that first
107.2 sold, offered, or distributed the battery-containing product in or into the state;

107.3 (3) notwithstanding clause (2), a producer does not include any person that manufactured,
107.4 imported into the United States, or sold, offered, or distributed in or into the state a
107.5 battery-containing product if the producer of the only covered batteries contained in, attached
107.6 to, or packaged with the battery-containing product is named as a participant by a covered
107.7 battery stewardship organization and both the person and the participant acknowledge such
107.8 in writing to the covered battery stewardship organization; and

107.9 (4) notwithstanding clauses (1) and (2), a person that voluntarily assumes the
107.10 responsibility of a producer of a covered battery and certifies that they have assumed the
107.11 responsibility of a producer in writing to the commissioner is the producer of the covered
107.12 battery.

107.13 (i) "Covered battery stewardship organization" means an organization that contracts
107.14 with one or more covered battery producers to meet the producers' obligations under sections
107.15 115A.1331 to 115A.1347.

107.16 (j) "Covered battery stewardship plan" or "stewardship plan" means a plan that is prepared
107.17 according to section 115A.1335 and submitted to the commissioner by a covered battery
107.18 stewardship organization.

107.19 (k) "Covered battery stewardship program" means a system implemented by a covered
107.20 battery stewardship organization to manage all covered batteries offered to a covered battery
107.21 collector by arranging and paying for the collection, covered services, and all other activities
107.22 described in a covered battery stewardship plan published on the agency's publicly accessible
107.23 website under section 115A.1335, subdivision 4, paragraph (e), or 5, paragraph (a).

107.24 (l) "Covered medium battery" means a covered battery that weighs more than 11 pounds
107.25 but equal to or less than 25 pounds or has an energy capacity greater than 300 watt-hours
107.26 but equal to or less than 2,000 watt-hours.

107.27 (m) "Covered medium battery collection site" means a covered battery collection site
107.28 that meets the requirements of section 115A.1341, subdivision 1, paragraphs (a), (b), and
107.29 (d).

107.30 (n) "Covered services" means transportation, processing, recycling, and disposal of
107.31 covered batteries and residual materials after collection. Covered services does not include:

107.32 (1) repair or reuse of a covered battery by the collector; or

108.1 (2) transport of a covered battery by the covered battery collector that collected it to or
108.2 between a covered battery collection site or sites that are operated by the covered battery
108.3 collector.

108.4 (o) "Covered small battery" means a covered battery that weighs 11 pounds or less and
108.5 has an energy capacity of 300 watt-hours or less.

108.6 (p) "Covered small battery collection site" means a covered battery collection site that
108.7 meets the requirements of section 115A.1341, subdivision 1, paragraphs (a), (c), and (d).

108.8 (q) "Distribute" means to sell, offer, supply, ship, transport, or deliver a product to a
108.9 person that sells, offers, supplies, ships, transports, or delivers the product in or into the
108.10 state, regardless of whether title to the product is ever acquired by a person distributing the
108.11 product.

108.12 (r) "Easily removable" or "easily removed" means that a battery can be removed by a
108.13 single person from a product by hand or by hand and the use of only:

108.14 (1) a flathead, crosshead, or Phillips screwdriver;

108.15 (2) a paper clip;

108.16 (3) a coin; or

108.17 (4) a hex key.

108.18 (s) "Household hazardous waste management program" means a program established
108.19 under section 115A.96 to collect and manage household hazardous waste, as defined in
108.20 section 115A.96, that is established or operated by the agency or another public entity,
108.21 including but not limited to a political subdivision, state agency, or federally recognized
108.22 Tribe.

108.23 (t) "Independent auditor" means a certified public accountant that:

108.24 (1) holds a current active license under chapter 326A and rules adopted thereunder;

108.25 (2) is retained by a covered battery stewardship organization;

108.26 (3) is not otherwise employed by or affiliated with the commissioner or a covered battery
108.27 stewardship organization; and

108.28 (4) is qualified to conduct an audit under section 115A.1337, subdivision 6, clause (8).

108.29 (u) "Loose battery" means a battery that is not contained in or attached to a product. A
108.30 loose battery does not include a battery that is contained in an enclosure when the enclosure
108.31 is not integral to the operation of the battery.

109.1 (v) "Motor vehicle" has the meaning given in section 168.002.

109.2 (w) "Participant" means a covered battery producer that is named by a covered battery
109.3 stewardship organization as meeting the covered battery producer's obligations under sections
109.4 115A.1331 to 115A.1347. If one covered battery producer is named as a participant by
109.5 voluntarily assuming responsibility for a covered battery on behalf of other covered battery
109.6 producers under paragraph (h), clause (4), then all those covered battery producers are also
109.7 participants.

109.8 (x) "Rechargeable battery" means a battery that is designed and intended to have electrical
109.9 energy added to it by electrical or physical means after use.

109.10 (y) "Residual material" means material and waste resulting from processing, recycling,
109.11 or disposal of a covered battery.

109.12 (z) "Responsible market" means a market for covered batteries, for reclaimed materials
109.13 from collected covered batteries, or for any other recyclable residual material from collected
109.14 covered batteries that:

109.15 (1) reuses, recycles, or otherwise recovers materials and disposes of contaminants in a
109.16 manner that protects the environment and minimizes risks to public health and worker health
109.17 and safety;

109.18 (2) complies with all applicable federal, state, and local statutes, rules, ordinances, and
109.19 other laws governing environmental, health, safety, and financial responsibility;

109.20 (3) possesses all licenses and permits required by a federal or state agency or political
109.21 subdivision;

109.22 (4) if operating in the state, recycles batteries to the maximum extent practicable in
109.23 accordance with section 115A.02, paragraph (b); and

109.24 (5) minimizes adverse impacts to environmental justice areas.

109.25 (aa) "Specialized covered battery recycler" means a person that, if and as applicable, is
109.26 properly authorized by the commissioner or, if operating in another state or country, an
109.27 equivalent state, federal, or other governmental body, to process or recycle useful materials
109.28 from covered batteries.

109.29 **EFFECTIVE DATE.** This section is effective July 1, 2026.

109.30 Sec. 4. **[115A.1335] COVERED BATTERY STEWARDSHIP PLAN AND BUDGET.**

109.31 Subdivision 1. **Due dates.** (a) By July 1, 2027:

110.1 (1) a covered battery producer must contract with a covered battery stewardship
110.2 organization to act on the covered battery producer's behalf for purposes of complying with
110.3 the producer's obligations under sections 115A.1331 to 115A.1347; and

110.4 (2) a covered battery stewardship organization must:

110.5 (i) notify the commissioner that it has been designated by covered battery producers to
110.6 act on their behalf; and

110.7 (ii) provide to the commissioner its identity and contact information.

110.8 (b) By January 1, 2029, a covered battery stewardship organization must submit to the
110.9 commissioner a covered battery stewardship plan that meets all requirements of subdivision
110.10 2 for review under subdivision 4.

110.11 Subd. 2. **Plan content; budget requirement.** (a) A covered battery stewardship plan
110.12 must include:

110.13 (1) identification of and contact information for the covered battery stewardship
110.14 organization;

110.15 (2) a description and example of contracts, including a list of all parties to the contracts,
110.16 that must:

110.17 (i) clearly grant the covered battery stewardship organization the authority to act on
110.18 behalf of the participants that the covered battery stewardship organization represents to
110.19 implement the covered battery stewardship plan;

110.20 (ii) include a statement of responsibility of the participants that the covered battery
110.21 stewardship organization represents to comply with the approved covered battery stewardship
110.22 plan; and

110.23 (iii) include a statement of responsibility of the participants that the covered battery
110.24 stewardship organization represents to fund the covered battery stewardship organization
110.25 as necessary to implement the covered battery stewardship plan, pay for associated costs,
110.26 and pay for fees and penalties assessed by the commissioner;

110.27 (3) identification of and contact information for all participants in the covered battery
110.28 stewardship program;

110.29 (4) identification of and contact information for each covered battery collector or
110.30 prospective covered battery collector that has agreed to operate covered battery collection
110.31 sites to collect covered batteries on behalf of the covered battery stewardship organization

- 111.1 and documentation of such agreements. A covered battery collection site may only be
111.2 included in one covered battery stewardship plan at a time;
- 111.3 (5) identification of and contact information for each person providing covered services
111.4 and the location of all facilities where covered services will be provided;
- 111.5 (6) identification and contact information for those persons that the covered battery
111.6 stewardship organization has contracted with and that will administer and implement the
111.7 covered battery stewardship program in accordance with section 115A.1337, subdivision
111.8 7. The relationship of the other persons to the covered battery stewardship organization and
111.9 their role in administering and implementing the covered battery stewardship program must
111.10 be described;
- 111.11 (7) the address, county of location, and, in a form prescribed by the commissioner,
111.12 geolocation data for each covered battery collection site to be served through the covered
111.13 battery stewardship organization under the covered battery stewardship program and
111.14 identification of those covered battery collection sites that are operated by a household
111.15 hazardous waste management program;
- 111.16 (8) a list of the brands covered under the covered battery stewardship program;
- 111.17 (9) eligibility criteria for prospective covered battery collectors;
- 111.18 (10) a description of how the covered battery stewardship program will provide
111.19 convenient, statewide collection according to subdivision 3 without collection of covered
111.20 batteries performed by collection sites on behalf of another covered battery stewardship
111.21 organization;
- 111.22 (11) a description of how the covered battery stewardship organization will annually
111.23 monitor and ensure continuing compliance with the convenience standards under subdivision
111.24 3;
- 111.25 (12) a description of how the covered battery stewardship organization will ensure each
111.26 covered battery collector is provided with the materials specified in section 115A.1337,
111.27 subdivision 1;
- 111.28 (13) a description of how covered battery collection sites will be accessible according
111.29 to section 115A.1337, subdivision 2;
- 111.30 (14) the performance standards for persons providing covered services for the covered
111.31 battery stewardship organization and the oversight methods by which the covered battery
111.32 stewardship organization will ensure continuing compliance with the performance standards.

- 112.1 The covered battery stewardship organization may determine performance standards, which
112.2 at a minimum must:
- 112.3 (i) accord with clauses (17) to (20), (22), (23), and (36);
- 112.4 (ii) ensure that covered services other than transportation are provided only by specialized
112.5 covered battery recyclers; and
- 112.6 (iii) ensure covered batteries and residual materials are managed through responsible
112.7 markets;
- 112.8 (15) a description of the oversight methods by which the covered battery stewardship
112.9 organization will ensure continuing compliance with the performance standards under clause
112.10 (14);
- 112.11 (16) a description of how the covered battery stewardship organization will ensure that
112.12 there are multiple persons providing covered services to ensure resiliency in the system;
- 112.13 (17) a description of methods by which the covered battery stewardship organization
112.14 will ensure that discarded covered batteries and residual materials managed under the covered
112.15 battery stewardship program are managed while in the state in compliance with rules adopted
112.16 under section 116.07 for managing solid waste and hazardous waste, when applicable, and,
112.17 when outside the state, with all applicable legal requirements for managing solid waste and
112.18 hazardous waste, as applicable;
- 112.19 (18) a description of the actions the covered battery stewardship organization will take
112.20 upon receiving information of potential or actual noncompliance under clause (17) by any
112.21 person handling covered batteries under the covered battery stewardship program;
- 112.22 (19) a description of methods by which the covered battery stewardship organization
112.23 will ensure that covered batteries and residual materials managed under the covered battery
112.24 stewardship program are managed in compliance with safety and health requirements for
112.25 employees administered by the Department of Labor and Industry and with fire protection
112.26 requirements administered by the Department of Public Safety while in the state and, when
112.27 outside the state, with all applicable federal, state, and local employee safety and health
112.28 requirements and fire protection requirements;
- 112.29 (20) a description of the actions the covered battery stewardship organization will take
112.30 upon receiving information of potential or actual noncompliance under clause (19) by any
112.31 person handling covered batteries under the covered battery stewardship program;
- 112.32 (21) a description of how the covered battery stewardship organization will ensure
112.33 sufficient and timely pickup and transport of covered batteries are provided to each covered

113.1 battery collection site so that the covered battery collection site can continuously and safely
113.2 collect and store covered batteries;

113.3 (22) a description of methods by which the covered battery stewardship organization
113.4 will ensure that covered batteries and residual materials managed under the covered battery
113.5 stewardship program are transported in compliance with applicable regulations incorporated
113.6 by reference under section 221.033 for transporting hazardous materials while in the state
113.7 and, when outside the state, with all applicable legal requirements for transporting hazardous
113.8 materials;

113.9 (23) a description of the actions the covered battery stewardship organization will take
113.10 upon receiving information of potential or actual noncompliance under clause (22) by any
113.11 person handling covered batteries under the covered battery stewardship program;

113.12 (24) a statement of indemnification by the covered battery stewardship organization to
113.13 covered battery collectors for potential liability for improper downstream management of
113.14 covered batteries or residual materials by providers of covered services arranged for by the
113.15 covered battery stewardship organization and identified in the covered battery stewardship
113.16 plan under clause (5);

113.17 (25) a description of how the covered battery stewardship organization will determine
113.18 and annually report the quantity of covered batteries collected under the covered battery
113.19 stewardship program by chemistry by weight;

113.20 (26) a description of the outreach and education methods and activities that the covered
113.21 battery stewardship organization will ensure are provided according to section 115A.1337,
113.22 subdivision 4;

113.23 (27) a description of how the covered battery stewardship organization will ensure that
113.24 there is at least one full-time representative of the covered battery stewardship organization
113.25 who is dedicated to implementing the covered battery stewardship program in this state and
113.26 serves as the primary contact between the covered battery stewardship organization and the
113.27 agency;

113.28 (28) the proposed reimbursement rates for covered battery collectors that are household
113.29 hazardous waste management programs, according to the following:

113.30 (i) the proposed reimbursement rates must cover all costs of collection incurred by the
113.31 covered battery collectors, which include but are not limited to:

113.32 (A) labor, overhead, and supplies;

113.33 (B) necessary collection and storage;

- 114.1 (C) employee training; and
- 114.2 (D) necessary safety materials;
- 114.3 (ii) the covered battery stewardship organization may, on agreement with the covered
- 114.4 battery collectors, provide materials or services to covered battery collectors in lieu of
- 114.5 covering specific costs;
- 114.6 (iii) necessary safety materials described in item (i), subitem (D), do not include fire
- 114.7 safety infrastructure, such as fire sprinklers or fire detection systems; and
- 114.8 (iv) the covered battery stewardship organization must meet and agree on the proposed
- 114.9 reimbursement rates with covered battery collectors and prospective covered battery
- 114.10 collectors that are household hazardous waste management programs;
- 114.11 (29) the proposed reimbursement rates for covered battery collectors that are not
- 114.12 household hazardous waste management programs, according to the following:
- 114.13 (i) the proposed reimbursement rates must cover all of the following costs of collection
- 114.14 incurred by the covered battery collectors:
- 114.15 (A) necessary collection and storage;
- 114.16 (B) supplies;
- 114.17 (C) employee training; and
- 114.18 (D) necessary safety materials;
- 114.19 (ii) the proposed reimbursement rates may, on agreement with the covered battery
- 114.20 collectors, cover costs of collection in addition to those described in item (i);
- 114.21 (iii) the covered battery stewardship organization may, on agreement with the covered
- 114.22 battery collectors, provide materials or services to covered battery collectors in lieu of
- 114.23 covering specific costs;
- 114.24 (iv) necessary safety materials described in item (i), subitem (C), do not include fire
- 114.25 safety infrastructure, such as fire sprinklers or fire detection systems; and
- 114.26 (v) the covered battery stewardship organization must meet and agree on the proposed
- 114.27 reimbursement rates with covered battery collectors and prospective covered battery
- 114.28 collectors that are not household hazardous waste management programs;
- 114.29 (30) documentation that the covered battery collectors and prospective covered battery
- 114.30 collectors identified in clause (4) have agreed to the proposed reimbursement rates in clauses
- 114.31 (28) and (29);

115.1 (31) documentation that the number of covered battery collection sites identified in
115.2 clause (7) to be operated by the covered battery collectors identified in clause (4) are
115.3 sufficient to ensure that the covered battery stewardship organization will comply with the
115.4 convenience standards of subdivision 3;

115.5 (32) a description of the system by which the covered battery stewardship organization
115.6 will provide advance payment or reimbursement to covered battery collectors in a manner
115.7 that provides:

115.8 (i) periodic automatic payment of reimbursements at least annually; or

115.9 (ii) a process for submitting reimbursement requests and reasonable timelines for
115.10 reimbursement, at intervals no longer than monthly unless otherwise agreed to by the covered
115.11 battery collector;

115.12 (33) a description of the system by which the covered battery stewardship organization
115.13 will pay persons providing covered services in a manner that provides:

115.14 (i) a clear process for submitting invoices; and

115.15 (ii) reasonable timelines for payment, at intervals agreed to by the person providing
115.16 covered services;

115.17 (34) a description of how the covered battery stewardship program costs will be allocated
115.18 among participants, either individually or among groups of participants identified by the
115.19 covered battery stewardship organization, such that the costs of managing covered batteries
115.20 are allocated equitably. As part of this description, a clear assignment of responsibility for
115.21 costs of managing covered batteries subject to a voluntary or mandatory recall to the
115.22 participant or participants associated with those covered batteries and not other participants
115.23 must be included;

115.24 (35) a description of how the covered battery stewardship organization will comply with
115.25 subdivision 6, paragraph (b);

115.26 (36) a description of how the covered battery stewardship organization will ensure that
115.27 covered batteries and residual materials managed under the covered battery stewardship
115.28 program are managed to the maximum extent practicable in accordance with section 115A.02,
115.29 paragraph (b);

115.30 (37) a description of how the covered battery stewardship organization will take actions
115.31 within its purview and provide feedback for covered battery producers to enable
115.32 improvements in product design and material use, technology, and personnel training that

116.1 could raise the future maximum extent practicable for management described in clause (36),
116.2 including consideration of covered battery reuse, repair, and product life cycle;

116.3 (38) a description of how the covered battery stewardship organization will annually
116.4 report to the commissioner, by chemistry by weight, the end management through recycling
116.5 or disposal of covered batteries for which the covered battery stewardship program was
116.6 responsible during each calendar year; and

116.7 (39) a description of how the covered battery stewardship organization will take action
116.8 to decrease the incidence of covered batteries in solid waste in the state, including providing
116.9 collection opportunities under section 115A.1337, subdivision 2, paragraph (b).

116.10 (b) By January 1, 2029, and annually thereafter, a covered battery stewardship
116.11 organization must submit an anticipated annual budget for the covered battery stewardship
116.12 program for that calendar year, broken down into the covered battery stewardship program's
116.13 estimated costs for administration, collection, sorting after collection, storage after collection,
116.14 transportation after collection, processing, recycling, disposal, and communication, including
116.15 the cost of fees under section 115A.1339. The budget is not subject to review and approval
116.16 under subdivisions 4 and 5.

116.17 Subd. 3. **Convenience standards.** (a) A covered battery stewardship plan must provide
116.18 convenient, statewide collection for all covered batteries that are offered to covered battery
116.19 collectors by a person in the state, regardless of:

116.20 (1) a covered battery's type, physical size, energy capacity, or chemistry;

116.21 (2) a covered battery's brand; or

116.22 (3) the producer of a covered battery.

116.23 (b) A covered battery stewardship plan submitted by a covered battery stewardship
116.24 organization must independently meet the convenience standards in paragraphs (c) to (d)
116.25 without cost sharing, collaboration, or consideration of activities of another covered battery
116.26 stewardship organization.

116.27 (c) For covered small batteries, a covered battery stewardship organization must:

116.28 (1) in each county with a population of 10,000 or less, maintain at least two covered
116.29 small battery collection sites;

116.30 (2) in each county with a population greater than 10,000 but less than or equal to 100,000,
116.31 maintain at least two covered small battery collection sites and at least one additional covered

117.1 small battery collection site for each additional 10,000 in population above a population of
117.2 10,000;

117.3 (3) in each county with a population greater than 100,000, maintain at least 11 covered
117.4 small battery collection sites and at least one additional covered small battery collection
117.5 site for each additional 50,000 in population above a population of 100,000; and

117.6 (4) maintain a covered small battery collection site located within ten miles of the
117.7 household of at least 95 percent of the residents of the state.

117.8 (d) For covered medium batteries, a covered battery stewardship organization must:

117.9 (1) in each county with a population of 100,000 or less, maintain at least one covered
117.10 medium battery collection site;

117.11 (2) in each county with a population greater than 100,000, maintain at least two covered
117.12 medium battery collection sites and at least one additional covered medium battery collection
117.13 site for each additional 100,000 in population above a population of 100,000; and

117.14 (3) maintain a covered medium battery collection site located within ten miles of the
117.15 household of at least 95 percent of the residents of the state.

117.16 (e) When demonstrating compliance with paragraphs (c) and (d), a covered battery
117.17 stewardship organization may count a covered medium battery collection site as a covered
117.18 small battery collection site.

117.19 (f) A covered battery stewardship organization must ensure no net loss in estimated
117.20 collection convenience and capacity for covered batteries from the program in place on
117.21 January 1, 2026.

117.22 (g) Upon a showing by a covered battery stewardship organization that meeting the
117.23 convenience standard of paragraph (c) or (d), for a specific county or development region
117.24 would cause undue hardship to the covered battery stewardship organization, the
117.25 commissioner may approve an alternative convenience standard if the proposed alternative
117.26 convenience standard would reasonably result in equivalent covered battery collection
117.27 convenience.

117.28 **Subd. 4. Review of covered battery stewardship plan; implementation.** (a) Within
117.29 120 days after receiving a complete covered battery stewardship plan submitted under this
117.30 section, the commissioner must determine whether the stewardship plan complies with this
117.31 section and will ensure that elements required by subdivision 2, paragraph (a), will be met
117.32 to the maximum extent practicable. The commissioner must provide a written notice of
117.33 determination according to this subdivision.

118.1 (b) In conducting a review of a covered battery stewardship plan, the commissioner may
118.2 consult with interested parties.

118.3 (c) For at least 30 days before approving a covered battery stewardship plan, the
118.4 commissioner must place the stewardship plan on the agency's publicly accessible website
118.5 for public review and comment.

118.6 (d) If the commissioner determines that a covered battery stewardship plan fails to
118.7 comply with this section or will not ensure that elements required by subdivision 2, paragraph
118.8 (a), will be met to the maximum extent practicable, the commissioner must reject the covered
118.9 battery stewardship plan. The commissioner must provide a written notice of determination
118.10 to the covered battery stewardship organization describing the reasons for the rejection.

118.11 (e) After any consultation under paragraph (b) and review of public comments received
118.12 under paragraph (c), if the commissioner determines that a covered battery stewardship plan
118.13 complies with this section and will ensure that elements required by subdivision 2, paragraph
118.14 (a), will be met to the maximum extent practicable, the commissioner must approve the
118.15 covered battery stewardship plan. The commissioner must provide a written notice of
118.16 determination to the covered battery stewardship organization and must publish the approved
118.17 covered battery stewardship plan on the agency's publicly accessible website within 30 days
118.18 after approval.

118.19 (f) The covered battery stewardship organization must implement the covered battery
118.20 stewardship plan approved by the commissioner, including any amendments to the
118.21 stewardship plan that are approved by the commissioner according to subdivision 5, within
118.22 60 days after receiving written notice of approval.

118.23 (g) For each covered battery stewardship plan or amendment submitted to the
118.24 commissioner for review, the commissioner may consider the data submitted according to
118.25 section 115A.1337, subdivision 6, and other relevant information to establish requirements
118.26 to improve the effectiveness, performance, and awareness of the covered battery stewardship
118.27 program.

118.28 **Subd. 5. Amending or terminating a covered battery stewardship plan.** (a) A covered
118.29 battery stewardship organization may amend a covered battery stewardship plan approved
118.30 under subdivision 4 without review or approval by the commissioner to make the changes
118.31 specified in clauses (1) to (3). Within 30 days after adopting an amendment under this
118.32 paragraph, a covered battery stewardship organization must report the amendment to the
118.33 commissioner and the commissioner must publish the amended stewardship plan on the
118.34 agency's publicly accessible website. A covered battery stewardship organization must

119.1 implement amendments made to a stewardship plan under this paragraph within 60 days
119.2 after adopting the amendment. A covered battery stewardship organization may:

119.3 (1) add; terminate, when authorized under section 115A.1337, subdivision 1, if applicable;
119.4 or replace a covered battery collector, collection site, person providing covered services,
119.5 or facility where covered services will be performed;

119.6 (2) add or remove participants or brands covered under a covered battery stewardship
119.7 plan; or

119.8 (3) change contact staff or contact staff information for a covered battery stewardship
119.9 organization, participants, covered battery collectors, or persons providing covered services.

119.10 (b) Except for an amendment under paragraph (a), a covered battery stewardship plan
119.11 containing any amendment must be submitted to and reviewed and approved by the
119.12 commissioner before it may be implemented by a covered battery stewardship organization.
119.13 The commissioner must review and approve or reject the covered battery stewardship plan
119.14 containing the proposed amendment according to subdivision 4.

119.15 (c) A covered battery stewardship organization must submit an amended covered battery
119.16 stewardship plan for review:

119.17 (1) at least every five years according to this subdivision and subdivision 4; or

119.18 (2) within 60 days if the commissioner determines that an amended stewardship plan is
119.19 necessary to implement sections 115A.1331 to 115A.1347.

119.20 (d) A covered battery stewardship organization may terminate a covered battery
119.21 stewardship plan only:

119.22 (1) by providing at least 90 days' written notice to the commissioner and to all covered
119.23 battery stewardship organizations and participants in the covered battery stewardship
119.24 program; and

119.25 (2) after a replacement covered battery stewardship plan submitted by the covered battery
119.26 stewardship organization or a new covered battery stewardship organization is approved
119.27 by the commissioner under subdivision 4.

119.28 (e) The commissioner may terminate a covered battery stewardship plan for good cause,
119.29 as defined in paragraph (f). If the commissioner terminates a covered battery stewardship
119.30 plan, the commissioner must provide the covered battery stewardship organization with
119.31 written notice of termination describing the good cause for termination. The commissioner
119.32 must also notify all participants in the covered battery stewardship program in writing of

120.1 the termination, using the contact information for the participants provided in the covered
 120.2 battery stewardship plan.

120.3 (f) For purposes of paragraph (e), "good cause" includes but is not limited to:

120.4 (1) failure by a covered battery stewardship organization to:

120.5 (i) fully and accurately disclose required or requested information to the commissioner;

120.6 (ii) comply with the terms of sections 115A.1331 to 115A.1347; or

120.7 (iii) pay fees or penalties owed to the commissioner or comply with an order lawfully
 120.8 issued by the commissioner; and

120.9 (2) a finding that a covered battery stewardship organization's activities endanger human
 120.10 health or the environment and the danger cannot reasonably be removed by an amendment
 120.11 to a covered battery stewardship plan.

120.12 Subd. 6. **Compliance.** (a) A covered battery stewardship organization must comply with
 120.13 a covered battery stewardship plan approved by the commissioner, including any amendments
 120.14 to the stewardship plan that are made according to subdivision 5, paragraph (a) or (b). A
 120.15 covered battery stewardship organization must ensure that all participants, covered battery
 120.16 collectors, and persons providing covered services acting on behalf of the covered battery
 120.17 stewardship organization also comply with the stewardship plan and are responsible to the
 120.18 covered battery stewardship organization and to the commissioner for compliance.

120.19 (b) A covered battery stewardship organization must ensure that covered battery collectors
 120.20 are reimbursed according to the reimbursement rates approved by the commissioner according
 120.21 to this section and the system described in a covered battery stewardship plan.

120.22 (c) A covered battery stewardship organization must ensure that all costs of a covered
 120.23 battery stewardship program as specified in sections 115A.1331 to 115A.1347 are fully
 120.24 paid for by participants. All costs of a covered battery stewardship program must be allocated
 120.25 fairly between groups of participants without any fee, charge, surcharge, or any other cost
 120.26 to:

120.27 (1) any member of the public;

120.28 (2) any business other than a covered battery producer;

120.29 (3) any covered battery collector;

120.30 (4) any person providing covered services;

120.31 (5) the state or any political subdivision; or

121.1 (6) any other person that is not a covered battery producer.

121.2 **EFFECTIVE DATE.** This section is effective July 1, 2026.

121.3 Sec. 5. **[115A.1337] COVERED BATTERY STEWARDSHIP ORGANIZATION;**
 121.4 **DUTIES AND STRUCTURE.**

121.5 Subdivision 1. **Duties to covered battery collectors.** (a) A covered battery stewardship
 121.6 organization must ensure that the following are provided to each covered battery collector:

121.7 (1) reimbursement at the rates determined according to section 115A.1335 and the system
 121.8 described in a covered battery stewardship plan;

121.9 (2) pickup and transport of collected covered batteries from each covered battery
 121.10 collection site in sufficient time and quantity to allow a covered battery collector to safely
 121.11 receive covered batteries without interruption or cost to the covered battery collector;

121.12 (3) appropriate containers for storage and transportation of covered batteries and supplies
 121.13 necessary for the collection of covered batteries;

121.14 (4) signage to identify collection sites and the covered batteries accepted at the collection
 121.15 sites;

121.16 (5) training for covered battery collection site employees on identifying and safely
 121.17 handling and storing covered batteries, including damaged, defective, or recalled batteries,
 121.18 also known as DDR batteries; and

121.19 (6) educational materials that address the information described in subdivision 4,
 121.20 paragraph (a), clause (3), for distribution to members of the public and businesses in
 121.21 Minnesota. The educational materials must be made available in English and at least the
 121.22 three languages most commonly spoken at homes in the state other than English, according
 121.23 to the state demographer.

121.24 (b) A covered battery stewardship organizations must consider the request of a covered
 121.25 battery collector to perform covered services if the covered battery collector meets the
 121.26 performance standards in a covered battery stewardship plan under section 115A.1335,
 121.27 subdivision 2, paragraph (a), clause (14), and the covered battery collector and the covered
 121.28 battery stewardship organization agree after negotiation in good faith on the fees to be paid
 121.29 to the covered battery collector for performing the covered services. A covered battery
 121.30 stewardship plan must identify the covered battery collector as providing covered services
 121.31 according to section 115A.1335, subdivision 2, paragraph (a), clause (5).

122.1 (c) A covered battery stewardship organizations must allow the following persons to
122.2 serve as a covered battery collector:

122.3 (1) a person that agrees to operate or continues to operate a covered battery collection
122.4 site in compliance with:

122.5 (i) section 115A.1341, subdivision 1, paragraphs (a) and (d);

122.6 (ii) section 115A.1341, subdivision 1, paragraph (b) or (c), as applicable;

122.7 (iii) the conditions in section 115A.1335, subdivision 2, paragraph (a), clauses (17) to
122.8 (20), (22), and (23); and

122.9 (iv) any other applicable provisions of a covered battery stewardship plan in section
122.10 115A.1335; and

122.11 (2) a household hazardous waste management program.

122.12 (d) A covered battery stewardship organization may not require a person that sells, offers
122.13 for sale or promotional purposes, distributes, or facilitates a sale of a covered battery or
122.14 battery-containing product in or into the state to be a covered battery collector or operate a
122.15 covered battery collection site.

122.16 (e) A covered battery stewardship organization may terminate a covered battery collector,
122.17 except a household hazardous waste management program, and cease payment to the covered
122.18 battery collector for good cause. Good cause under this paragraph does not include accepting
122.19 a battery subject to recall. A covered battery stewardship organization may suspend a covered
122.20 battery collector that is a household hazardous waste management program and cease
122.21 payment to the covered battery collector for good cause with the approval of the
122.22 commissioner, until the commissioner determines that the household hazardous waste
122.23 management program is compliant with sections 115A.1331 to 115A.1347.

122.24 Subd. 2. **Accessibility.** (a) A covered battery stewardship program must provide
122.25 convenient, equitable, and accessible service to all persons in Minnesota, including but not
122.26 limited to people of color; Minnesota Tribal governments as defined in section 10.65,
122.27 subdivision 2; those that are non-English speaking; immigrant and refugee communities;
122.28 those with limited access to transportation; and those in environmental justice areas.

122.29 (b) A covered battery stewardship program must include collection opportunities beyond
122.30 those required under section 115A.1335, subdivision 3, to better serve populations under
122.31 paragraph (a).

123.1 (c) Where feasible, a covered battery stewardship program must encourage establishing
123.2 covered battery collection sites in proximity to local public transit.

123.3 Subd. 3. **Oversight.** A covered battery stewardship organization must ensure that covered
123.4 batteries and residual materials managed under a covered battery stewardship program are
123.5 managed according to the performance standards in section 115A.1335, subdivision 2,
123.6 paragraph (a), clause (14), by all persons providing covered services.

123.7 Subd. 4. **Program effectiveness.** (a) To support the effectiveness of a covered battery
123.8 stewardship program, a covered battery stewardship organization must provide outreach
123.9 and education to:

123.10 (1) persons that might sell, offer for sale or promotional purposes, distribute, or facilitate
123.11 a sale of covered batteries in or into the state, to inform them of the requirements of section
123.12 115A.1347, subdivision 2;

123.13 (2) potential covered battery collectors and persons that are collecting covered batteries
123.14 before the effective date of this section to inform them how to request coverage by a covered
123.15 battery stewardship program; and

123.16 (3) members of the public to raise awareness of:

123.17 (i) public health and safety and environmental risks caused by improperly charging,
123.18 storing, and disposing of covered batteries;

123.19 (ii) the need to safely charge and store covered batteries;

123.20 (iii) the benefits of recycling covered batteries in contrast to disposal; and

123.21 (iv) the existence of a covered battery stewardship program and the ability to manage
123.22 covered batteries at no cost, including the location and convenience of covered battery
123.23 collection sites in the state.

123.24 (b) A covered battery stewardship organization must maintain a publicly accessible
123.25 website to locate covered battery collection sites through map-based and text-based searches.

123.26 (c) The commissioner may determine the effectiveness of a covered battery stewardship
123.27 program using information from waste composition studies under section 115A.412 and
123.28 other information available to the commissioner. The commissioner may require a covered
123.29 battery stewardship organization to submit for approval proposals that when implemented
123.30 would decrease the incidence of covered batteries in solid waste in accordance with section
123.31 115A.1335, subdivision 2, paragraph (a), clause (39). A covered battery stewardship
123.32 organization must implement a proposal that is approved by the commissioner.

124.1 Subd. 5. Stakeholder consultation. (a) A covered battery stewardship organization
124.2 must regularly consult with stakeholders associated with covered batteries. If there is more
124.3 than one covered battery stewardship organization, each covered battery stewardship
124.4 organization must jointly fulfill the requirements of this subdivision. At least one consultation
124.5 meeting must occur before a covered battery stewardship plan is submitted to the
124.6 commissioner.

124.7 (b) A consultation meeting is to:

124.8 (1) assist with drafting and continuous review of a covered battery stewardship
124.9 organization's outreach and education activities, including but not limited to signage and
124.10 educational materials; and

124.11 (2) make recommendations to a covered battery stewardship organization and the
124.12 commissioner to continuously improve the effectiveness of the outreach and education
124.13 activities and maximize participation in a covered battery stewardship program.

124.14 (c) A meeting must include representatives of stakeholders of a covered battery
124.15 stewardship program, including but not limited to the commissioner, household hazardous
124.16 waste management programs, covered battery collectors that are not household waste
124.17 management programs, persons providing or that might provide covered services, producers,
124.18 and other persons providing statewide representation.

124.19 Subd. 6. Reporting. By June 1 each year after a covered battery stewardship plan is
124.20 approved under section 115A.1335, subdivision 4, a covered battery stewardship organization
124.21 must report to the commissioner, in a form and manner prescribed by the commissioner,
124.22 on the covered battery stewardship organization's activities during the preceding calendar
124.23 year. A report must include:

124.24 (1) the address, county of location, and geolocation data for each covered battery
124.25 collection site served by the covered battery stewardship program during the preceding
124.26 calendar year;

124.27 (2) the chemistry by weight of covered batteries collected during each calendar year, in
124.28 accordance with section 115A.1335, subdivision 2, paragraph (a), clause (25);

124.29 (3) a description by chemistry by weight of the end management through recycling or
124.30 disposal of the covered batteries shipped from covered battery collection sites under the
124.31 covered battery stewardship program, in accordance with section 115A.1335, subdivision
124.32 2, paragraph (a), clause (38);

125.1 (4) the method or methods of verification used by the covered battery stewardship
125.2 organization to ensure that the description in clause (3) accurately reflects the actual end
125.3 management of the covered batteries;

125.4 (5) the effectiveness of the covered battery stewardship organization's efforts to decrease
125.5 the incidence of covered batteries in solid waste in the state, in accordance with section
125.6 115A.1335, subdivision 2, paragraph (a), clause (39);

125.7 (6) a summary of the results of the oversight according to section 115A.1335, subdivision
125.8 2, paragraph (a), clause (14);

125.9 (7) a description of outreach and education activities provided by the covered battery
125.10 stewardship organization during the preceding calendar year according to subdivision 4;

125.11 (8) a financial report on the covered battery stewardship program, including actual costs
125.12 and funding compared to the budget for the year submitted under section 115A.1335,
125.13 subdivision 2, paragraph (b). The financial report must include an audit report of the covered
125.14 battery stewardship program, including the covered battery stewardship organization and
125.15 any additional covered battery stewardship organizations, by an independent auditor. The
125.16 independent auditor may be selected by the covered battery stewardship organization and
125.17 may be rejected by the commissioner for good cause. If the commissioner rejects an
125.18 independent auditor, the covered battery stewardship organization must select a different
125.19 independent auditor, which may be rejected by the commissioner for good cause;

125.20 (9) the proposed and actual budget for the period covered by the report; and

125.21 (10) starting in the second year after the covered battery stewardship organization's first
125.22 covered battery stewardship plan is approved by the commissioner, and then every third
125.23 year thereafter, a performance audit of the covered battery stewardship program. The
125.24 performance audit must conform to audit standards established by the United States
125.25 Government Accountability Office; the National Association of State Auditors, Comptrollers
125.26 and Treasurers; or another nationally recognized organization approved by the commissioner.

125.27 Subd. 7. **Organization of a covered battery stewardship organization.** (a) A covered
125.28 battery stewardship organization must comply with section 5.36.

125.29 (b) A covered battery stewardship organization may contract with any persons to
125.30 implement or administer a portion or portions of a covered battery stewardship plan or to
125.31 coordinate with a group or groups of participants.

125.32 (c) A contract established under paragraph (b) must be described under section
125.33 115A.1335, subdivision 2, paragraph (a), clause (6).

126.1 (d) Notwithstanding any contract established under paragraph (b), a covered battery
126.2 stewardship organization must:

126.3 (1) submit a covered battery stewardship plan to the commissioner meeting the
126.4 requirements of sections 115A.1331 to 115A.1347;

126.5 (2) submit a report to the commissioner according to subdivision 6 meeting the
126.6 requirements of sections 115A.1331 to 115A.1347;

126.7 (3) serve as the single point of contact for reporting, reimbursement, and payment to the
126.8 agency; and

126.9 (4) maintain all responsibility and liability for compliance with all other requirements
126.10 of sections 115A.1331 to 115A.1347 applicable to a covered battery stewardship organization.

126.11 **EFFECTIVE DATE.** This section is effective July 1, 2026.

126.12 Sec. 6. **[115A.1339] FEES.**

126.13 Subdivision 1. **Administrative fees.** (a) By October 1, 2027, the commissioner must
126.14 calculate the sum of all costs that the agency incurred to implement and administer sections
126.15 115A.1331 to 115A.1347 from July 1, 2026, to June 30, 2027.

126.16 (b) By December 1, 2027, the commissioner must assess an administrative fee and
126.17 equally split the fee among all covered battery stewardship organizations at an amount that
126.18 is adequate to reimburse the agency's costs calculated under paragraph (a). A covered battery
126.19 stewardship organization must pay the assessed administrative fee by the due date set by
126.20 the commissioner.

126.21 (c) By April 1, 2028, and annually thereafter, the commissioner must calculate the sum
126.22 of all costs that the agency incurred to implement and administer sections 115A.1331 to
126.23 115A.1347 during the six months of July through December of the preceding calendar year.
126.24 By October 1, 2028, and annually thereafter, the commissioner must calculate the sum of
126.25 all costs that the agency incurred to implement and administer sections 115A.1331 to
126.26 115A.1347 during the six months of January through June of that calendar year.

126.27 (d) Notwithstanding section 16A.1283, the commissioner must semiannually assess the
126.28 annual administrative fees and equally split the fees among all covered battery stewardship
126.29 organizations at an amount that is adequate to reimburse the agency's costs calculated under
126.30 paragraph (c). A covered battery stewardship organization must pay the assessed
126.31 administrative fees by the due dates set by the commissioner.

127.1 (e) All agency costs calculated under this subdivision may be recovered in a civil action
127.2 brought by the attorney general against any person that may be liable under this subdivision
127.3 or any other law. Any costs that are recovered by the attorney general, including any award
127.4 of attorney fees, must be deposited in the covered battery stewardship account in the special
127.5 revenue fund.

127.6 Subd. 2. **Disposition of fees.** The total amount of net fees collected under this section
127.7 must not exceed the amount necessary to reimburse agency costs as calculated under
127.8 subdivision 1. All fees received under subdivision 1 must be deposited in the state treasury
127.9 and credited to a covered battery stewardship account in the special revenue fund. The
127.10 amount collected under this section is annually appropriated to the commissioner to
127.11 implement and enforce sections 115A.1331 to 115A.1347.

127.12 **EFFECTIVE DATE.** This section is effective July 1, 2026.

127.13 Sec. 7. **[115A.1341] COVERED BATTERY COLLECTOR DUTIES.**

127.14 Subdivision 1. **Accepting covered batteries.** (a) A covered battery collector must accept
127.15 covered batteries of any brand, type, or chemistry without imposing a fee, charge, surcharge,
127.16 or other cost to any person other than a covered battery stewardship organization.

127.17 (b) At a covered medium battery collection site, a covered battery collector must accept
127.18 from any person daily at least:

127.19 (1) ten covered small batteries; and

127.20 (2) four covered medium batteries.

127.21 (c) At a covered small battery collection site, a covered battery collector must accept
127.22 from any person daily at least ten covered small batteries.

127.23 (d) A covered battery collection site must be open to receiving covered batteries at least
127.24 12 operating hours per week, 50 weeks each calendar year.

127.25 (e) A household hazardous waste management program may accept covered batteries
127.26 at any covered battery collection site that the program operates.

127.27 (f) A covered battery stewardship organization may count a covered battery collection
127.28 site when demonstrating compliance with the convenience standards under section
127.29 115A.1335, subdivision 3, only if the covered battery collection site complies with paragraph
127.30 (b) or (c).

127.31 Subd. 2. **Storing accepted covered batteries.** A covered battery collector must manage
127.32 and store all accepted covered batteries safely and in compliance with all applicable federal,

128.1 state, and local laws, including but not limited to applicable rules adopted under section
128.2 116.07 for managing solid waste and hazardous waste.

128.3 Subd. 3. **Training.** A covered battery collector must ensure and document that training
128.4 is provided for covered battery collection site employees on identifying and safely handling
128.5 and storing covered batteries, including damaged, defective, or recalled batteries, also known
128.6 as DDR batteries. A covered battery collector may provide the training or may receive
128.7 training through a covered battery stewardship organization.

128.8 Subd. 4. **Record keeping.** (a) A covered battery collector must maintain records as
128.9 specified in this paragraph for at least three years and make the records available to the
128.10 commissioner for inspection. The records must include the chemistry by weight of covered
128.11 batteries and any additional information required by the commissioner. The records must
128.12 document for each calendar year the covered batteries:

128.13 (1) accepted at a covered battery collection site; and

128.14 (2) shipped from a covered battery collection site.

128.15 (b) A covered battery collector must maintain documentation of each employee's training
128.16 related to covered batteries starting on the date of training and for at least three years
128.17 following the last day that the employee worked for the covered battery collector.

128.18 **EFFECTIVE DATE.** This section is effective July 1, 2026.

128.19 Sec. 8. **[115A.1345] OTHER AUTHORITIES AND DUTIES.**

128.20 Subdivision 1. **Limited private right of action against producers.** (a) Except as
128.21 provided in paragraph (d), a covered battery stewardship organization may maintain a civil
128.22 action against one or more covered battery producers to recover a portion of the covered
128.23 battery stewardship organization's costs and additional amounts according to this subdivision.

128.24 (b) Damages recoverable under this subdivision may not exceed a fair share of the actual
128.25 costs incurred by the plaintiff covered battery stewardship organization under sections
128.26 115A.1331 to 115A.1347; of managing covered batteries of other covered battery producers
128.27 that were not participants; or that should otherwise have been due to the covered battery
128.28 stewardship organization. Additional amounts recoverable under this subdivision include
128.29 an award of reasonable attorney fees and costs. If a defendant covered battery producer did
128.30 not participate in a covered battery stewardship program during the period when covered
128.31 batteries of the defendant were managed by the plaintiff covered battery stewardship
128.32 organization, a punitive sum of up to three times the damages awarded may be assessed.

129.1 (c) A plaintiff covered battery stewardship organization may establish a defendant
129.2 covered battery producer's fair share of the plaintiff's actual costs by providing the court
129.3 with information establishing the process by which the defendant covered battery producer's
129.4 share of covered battery stewardship program costs would have been allocated had the
129.5 defendant covered battery producer been a participant in the program or paid its allocated
129.6 share if it was a participant. A plaintiff covered battery stewardship organization may use
129.7 data from covered battery producers similar in covered battery, financial status, or market
129.8 share to the defendant covered battery producer to provide the information.

129.9 (d) An action may not be commenced under this subdivision against a potential defendant
129.10 until 60 days after the plaintiff provides to all potential defendants a written notice of the
129.11 claim setting forth the amount of the claim and the basis for the calculation of the amount.

129.12 (e) No action may be brought under this subdivision against a person other than a covered
129.13 battery producer.

129.14 (f) The commissioner may not be a party to or be required to provide assistance or
129.15 otherwise participate in a civil action authorized under this subdivision unless subject to a
129.16 subpoena before a court of jurisdiction.

129.17 Subd. 2. **Conduct authorized.** A covered battery producer or covered battery stewardship
129.18 organization that organizes collection and covered services for covered batteries under
129.19 sections 115A.1331 to 115A.1347 is immune from liability for the conduct under state laws
129.20 relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade
129.21 or commerce only to the extent that the conduct is necessary to plan and implement the
129.22 covered battery producer's or covered battery stewardship organization's chosen system.

129.23 Subd. 3. **Duty to retain and provide information.** (a) Upon request of the commissioner
129.24 for purposes of implementing sections 115A.1331 to 115A.1347, 115A.9157, or 325E.125,
129.25 a person must furnish to the commissioner any information that the person has or may
129.26 reasonably obtain.

129.27 (b) A covered battery stewardship organization must retain any information referenced
129.28 in a covered battery stewardship plan or report required under section 115A.1337 for at
129.29 least three years after the termination of the covered battery stewardship plan.

129.30 Subd. 4. **Contracts.** (a) Any person awarded a contract under chapter 16C for purchase
129.31 or lease of covered batteries that is found to be in violation of sections 115A.1331 to
129.32 115A.1347 is subject to the following sanctions:

130.1 (1) the contract must be voided if the commissioner of administration determines that
 130.2 the potential adverse impact to the state is exceeded by the benefit obtained from voiding
 130.3 the contract; and

130.4 (2) the contractor is subject to suspension and disbarment under Minnesota Rules, part
 130.5 1230.1150.

130.6 (b) If the attorney general establishes that any money, property, or benefit was obtained
 130.7 by a contractor as a result of violating sections 115A.1331 to 115A.1347, the court may, in
 130.8 addition to any other remedy, order the disgorgement of the unlawfully obtained money,
 130.9 property, or benefit.

130.10 Subd. 5. **Multistate implementation.** The commissioner may participate in establishing
 130.11 a regional multistate organization or compact to assist in carrying out the requirements of
 130.12 sections 115A.1331 to 115A.1347.

130.13 Subd. 6. **Rules.** The commissioner may adopt rules to implement sections 115A.1331
 130.14 to 115A.1347. The 18-month time limit under section 14.125 does not apply to rulemaking
 130.15 under this subdivision.

130.16 Subd. 7. **Batteries subject to recall for safety reasons.** All costs for receipt, sorting,
 130.17 storage, transport, processing, recycling, and disposal of a battery subject to recall for safety
 130.18 reasons that would otherwise be a covered battery are the responsibility of the person that
 130.19 would otherwise be the covered battery producer of the battery. A covered battery stewardship
 130.20 organization may charge that person for any costs incurred by the covered battery stewardship
 130.21 organization managing such a battery. The covered battery stewardship organization may
 130.22 take action under subdivision 1 to recover such costs. A covered battery stewardship
 130.23 organization is responsible only for collection and management of such a battery if received
 130.24 by a covered battery collector, and not any other actions associated with recall of the battery.

130.25 **EFFECTIVE DATE.** This section is effective July 1, 2026.

130.26 Sec. 9. **[115A.1347] DISPOSAL PROHIBITIONS; BATTERY LABELING;**
 130.27 **COVERED BATTERY SALES RESTRICTION.**

130.28 Subdivision 1. **Disposal prohibition.** (a) A person may not place a covered battery into:

130.29 (1) solid waste; or

130.30 (2) a recycling container that a covered battery collector, or another person that will
 130.31 ensure proper management of collected covered batteries, has not clearly marked for use
 130.32 for collecting covered batteries.

131.1 (b) A person must manage a covered battery that is discarded by delivering the covered
131.2 battery to a covered battery collection site or to a recycling facility for covered batteries.

131.3 (c) Until recycled, covered batteries are not exempt from any applicable rules adopted
131.4 under section 116.07 for managing hazardous waste.

131.5 (d) An owner or operator of a waste facility or recycling facility may only be found in
131.6 violation of paragraph (a) or (b) for a covered battery placed by another person if:

131.7 (1) the commissioner first determines that the owner or operator has not complied with
131.8 the applicable requirements of the solid waste permit issued by the commissioner or
131.9 established by rule, such as requirements for the management of materials that are prohibited
131.10 for placement in solid waste; and

131.11 (2) the owner or operator does not immediately remove and properly manage the covered
131.12 battery when the owner or operator discovers it.

131.13 **Subd. 2. Labeling and sale; requirements.** (a) A person may not sell, including online
131.14 sales; offer for sale or promotional purposes; distribute; or facilitate a sale of a covered
131.15 battery in or into the state unless the covered battery is labeled as required under clauses
131.16 (1) and (2). Labeling under this paragraph must be permanently marked on or affixed to the
131.17 covered battery and must use language, graphics, or a QR code. A QR code must be
131.18 compliant with International Organization of Standardization 18004:2015 and access
131.19 equivalent data via the Internet that is available without a fee or a requirement to create an
131.20 account. The labeling must identify:

131.21 (1) the battery chemistry employed to store energy in the battery; and

131.22 (2) the manufacturer of the battery or the brand under which the battery will be sold.

131.23 (b) A person may not sell, including online sales; offer for sale or promotional purposes;
131.24 distribute; or facilitate a sale of a covered battery or a battery-containing product in or into
131.25 the state unless:

131.26 (1) the covered battery producer is named as a participant in a covered battery stewardship
131.27 plan published on the agency's publicly accessible website under section 115A.1335,
131.28 subdivision 4, paragraph (e), or 5, paragraph (a);

131.29 (2) the brand is named as covered in a covered battery stewardship plan published on
131.30 the agency's publicly accessible website under section 115A.1335, subdivision 4, paragraph
131.31 (e), or 5, paragraph (a); or

132.1 (3) the covered battery stewardship organization with which the covered battery producer
 132.2 is a participant has obtained approval of reimbursement rates according to section 115A.1335.

132.3 (c) A person may not sell, including online sales; offer for sale or promotional purposes;
 132.4 distribute; or facilitate a sale of a covered battery or a battery-containing product in or into
 132.5 the state if the covered battery stewardship plan under which the covered battery was covered
 132.6 has been terminated under section 115A.1335, subdivision 5, until a new covered battery
 132.7 stewardship plan is approved under section 115A.1335, subdivision 4.

132.8 (d) This subdivision does not apply to sales, including online sales; offers for sale or
 132.9 promotional purposes; distribution; or facilitation of a sale of a used covered battery or used
 132.10 battery-containing product.

132.11 (e) A person is not in violation of paragraph (b) or (c) if, within six months before the
 132.12 date the person sells, offers for sale or promotional purposes, distributes, or facilitates a sale
 132.13 of a covered battery or battery-containing product in or into the state, a covered battery
 132.14 stewardship plan published on the agency's publicly accessible website under section
 132.15 115A.1335, subdivision 4, paragraph (e), or 5, paragraph (a), identified the covered battery
 132.16 producer as a participant or the brand as covered in a covered battery stewardship program.

132.17 **EFFECTIVE DATE.** This section is effective July 1, 2029.

132.18 Sec. 10. Minnesota Statutes 2024, section 115A.554, is amended to read:

132.19 **115A.554 AUTHORITY OF SANITARY DISTRICTS.**

132.20 A sanitary district has the authorities and duties of counties within the district's boundary
 132.21 for purposes of sections 115A.0716; 115A.46, subdivisions 4 and 5; 115A.48; 115A.551;
 132.22 115A.552; 115A.553; 115A.919; 115A.929; 115A.93; 115A.96, subdivision 6; ~~115A.961~~;
 132.23 116.072; 375.18, subdivision 14; 400.04; 400.06; 400.07; 400.08; 400.16; and 400.161.

132.24 **EFFECTIVE DATE.** This section is effective July 1, 2026.

132.25 Sec. 11. Minnesota Statutes 2024, section 115A.9157, is amended to read:

132.26 **115A.9157 RECHARGEABLE BATTERIES AND PRODUCTS.**

132.27 Subdivision 1. **Definition.** ~~For the purpose of this section, "rechargeable battery" means~~
 132.28 ~~a sealed nickel-cadmium battery, a sealed lead acid battery, or any other rechargeable battery,~~
 132.29 ~~except a rechargeable battery governed by section 115A.9155 or exempted by the~~
 132.30 ~~commissioner under subdivision 9.~~ The terms used in this section have the meanings given
 132.31 in sections 115A.03 and 115A.1331.

133.1 Subd. 2. **Prohibition.** ~~Effective August 1, 1991, a person may not place in mixed~~
 133.2 ~~municipal solid waste a rechargeable battery, a rechargeable battery pack, a product with a~~
 133.3 ~~nonremovable rechargeable battery, or a product powered by rechargeable batteries or~~
 133.4 ~~rechargeable battery pack, from which all batteries or battery packs have not been removed.~~
 133.5 A person may not place a product powered by rechargeable batteries in solid waste unless
 133.6 all batteries have been removed from the product.

133.7 Subd. 3. **Collection and management costs.** A manufacturer of ~~rechargeable batteries~~
 133.8 ~~or~~ products powered by rechargeable batteries that are not easily removable from the products
 133.9 is responsible for the costs of collecting and managing its ~~waste rechargeable batteries and~~
 133.10 ~~waste products~~ under subdivision 5 to ensure that the products and batteries are not part of
 133.11 the solid waste stream.

133.12 Subd. 5. **Collection and management programs.** (a) ~~By September 20, 1995, the~~
 133.13 ~~manufacturers~~ A manufacturer under subdivision 3 or their representative organization shall
 133.14 implement a permanent programs, based on the results of the pilot projects required in
 133.15 ~~Minnesota Statutes 1994, section 115A.9157, subdivision 4, program~~ that may be reasonably
 133.16 expected to collect 90 percent of the ~~waste rechargeable batteries and the participating~~
 133.17 ~~manufacturers'~~ manufacturer's products powered by rechargeable batteries that are not easily
 133.18 removable from the products and that are generated as waste in the state. The ~~batteries and~~
 133.19 products collected must be recycled or otherwise managed or disposed of properly.

133.20 (b) In every odd-numbered year ~~after 1995~~, each manufacturer or a representative
 133.21 organization shall provide information to the commissioner and the senate and house of
 133.22 representatives committees having jurisdiction over environment and natural resources and
 133.23 environment and natural resources finance that specifies at least the estimated amount of
 133.24 battery-containing products powered by rechargeable batteries that are not easily removed
 133.25 from the products subject to this section ~~and~~ generated as waste in the state by ~~each~~
 133.26 manufacturer ~~and~~, the amount of ~~batteries each~~ such products collected during the previous
 133.27 two years, and the methodology used to calculate those amounts. A representative
 133.28 organization may report the amounts in aggregate for all the members of the organization.

133.29 Subd. 6. ~~List of participants~~ **Program notice.** A manufacturer or its representative
 133.30 organization shall inform the commissioner and the committees listed in subdivision 5 when
 133.31 they begin ~~participating in the projects and programs~~ implementing a program under
 133.32 subdivision 5 and immediately if they ~~withdraw participation~~ stop implementing a program.

133.33 Subd. 7. **Contracts.** A manufacturer or a representative organization of manufacturers
 133.34 may contract with ~~the state or a political subdivision~~ any person to provide collection services

134.1 under this section. The manufacturer or organization shall fully reimburse the ~~state or~~
 134.2 ~~political subdivision~~ person for the value of any contractual services rendered under this
 134.3 subdivision.

134.4 Subd. 8. **Anticompetitive conduct.** A manufacturer or organization of manufacturers
 134.5 and its officers, members, employees, and agents who participate in ~~projects or programs~~
 134.6 ~~to collect and properly manage waste rechargeable batteries or products powered by~~
 134.7 ~~rechargeable batteries~~ a program under this section are immune from liability under state
 134.8 law relating to antitrust, restraint of trade, unfair trade practices, and other regulation of
 134.9 trade or commerce for activities related to the collection and management of ~~batteries and~~
 134.10 products required under this section.

134.11 ~~Subd. 9. Exemptions. To ensure that new types of batteries do not add additional~~
 134.12 ~~hazardous or toxic materials to the mixed municipal solid waste stream, the commissioner~~
 134.13 ~~of the agency may exempt a new type of rechargeable battery from the requirements of this~~
 134.14 ~~section if it poses no unreasonable hazard when placed in and processed or disposed of as~~
 134.15 ~~part of a mixed municipal solid waste.~~

134.16 **EFFECTIVE DATE.** This section is effective July 1, 2026.

134.17 Sec. 12. Minnesota Statutes 2024, section 116.92, subdivision 6, is amended to read:

134.18 Subd. 6. **Mercury thermometers prohibited.** (a) A manufacturer, wholesaler, or retailer
 134.19 may not sell or distribute at no cost a thermometer containing mercury that was manufactured
 134.20 after June 1, 2001.

134.21 (b) Paragraph (a) does not apply to an electronic thermometer with a battery containing
 134.22 mercury if the battery is in compliance with ~~section 325E.125~~ subdivision 81.

134.23 (c) A manufacturer is in compliance with this subdivision if the manufacturer:

134.24 (1) has received an exclusion or exemption from a state that is a member of the Interstate
 134.25 Mercury Education and Reduction Clearinghouse (IMERC) for replacement parts when no
 134.26 alternative is available or for an application when no feasible alternative is available;

134.27 (2) submits a copy of the approved exclusion or exemption to the commissioner; and

134.28 (3) meets all of the requirements in the approved exclusion or exemption for the
 134.29 manufacturer's activities within the state.

134.30 **EFFECTIVE DATE.** This section is effective July 1, 2026.

135.1 Sec. 13. Minnesota Statutes 2024, section 116.92, is amended by adding a subdivision to
135.2 read:

135.3 Subd. 8l. **Ban; mercury in batteries.** A person may not sell, offer for sale, or distribute
135.4 in or into the state:

135.5 (1) an alkaline manganese battery that contains mercury that is not a button cell
135.6 nonrechargeable battery;

135.7 (2) a nonrechargeable button cell battery that contains more than 25 milligrams of
135.8 mercury; or

135.9 (3) a dry cell battery containing a mercuric oxide electrode.

135.10 **EFFECTIVE DATE.** This section is effective July 1, 2026.

135.11 Sec. 14. Minnesota Statutes 2024, section 325E.125, subdivision 5, is amended to read:

135.12 ~~Subd. 5. **Prohibitions.** A manufacturer of rechargeable batteries or products powered~~
135.13 ~~by rechargeable batteries that does not participate in the pilot projects and programs required~~
135.14 ~~in section 115A.9157. A person may not sell, including online sales, facilitate a sale of,~~
135.15 ~~distribute, or offer for sale in or into this state rechargeable batteries or products powered~~
135.16 ~~by rechargeable batteries after January 1, 1992.~~

135.17 ~~After January 1, 1992, a person who first purchases rechargeable batteries or products~~
135.18 ~~powered by rechargeable batteries for importation into the state for resale may not purchase~~
135.19 ~~rechargeable batteries or products powered by rechargeable batteries made by any person~~
135.20 ~~other than a that are not easily removable unless the manufacturer that participates in the~~
135.21 ~~projects and programs program required under section 115A.9157.~~

135.22 **EFFECTIVE DATE.** This section is effective July 1, 2026.

135.23 Sec. 15. Minnesota Statutes 2024, section 325E.1251, subdivision 2, is amended to read:

135.24 ~~Subd. 2. **Recovery of costs.** Section 325E.125 may be enforced under section~~ sections
135.25 115.071 and 116.072. In an enforcement action under this section in which the state prevails,
135.26 the state may recover reasonable administrative expenses, court costs, and attorney fees
135.27 incurred to take the enforcement action, in an amount to be determined by the court.

135.28 **EFFECTIVE DATE.** This section is effective July 1, 2026.

136.1 Sec. 16. **REPEALER.**

136.2 Minnesota Statutes 2024, sections 115A.9155; 115A.961, subdivisions 1, 2, and 3;
 136.3 325E.125, subdivisions 1, 2, 2a, 3, and 4; and 325E.1251, subdivision 1, are repealed.

136.4 **ARTICLE 8**

136.5 **ENERGY FINANCE**

136.6 Section 1. Minnesota Statutes 2024, section 115C.08, subdivision 4, is amended to read:

136.7 Subd. 4. **Expenditures.** (a) Money in the fund may only be spent:

136.8 (1) to administer the petroleum tank release cleanup program established in this chapter;

136.9 (2) for agency administrative costs under sections 116.46 to 116.50, sections 115C.03
 136.10 to 115C.06, and costs of corrective action taken by the agency under section 115C.03,
 136.11 including investigations;

136.12 (3) for costs of recovering expenses of corrective actions under section 115C.04;

136.13 (4) for training, certification, and rulemaking under sections 116.46 to 116.50;

136.14 (5) for agency administrative costs of enforcing rules governing the construction,
 136.15 installation, operation, and closure of aboveground and underground petroleum storage
 136.16 tanks;

136.17 (6) for reimbursement of the environmental response, compensation, and compliance
 136.18 account under subdivision 5 and section 115B.26, subdivision 4;

136.19 (7) for administrative and staff costs as set by the board to administer the petroleum tank
 136.20 release program established in this chapter;

136.21 (8) for corrective action performance audits under section 115C.093;

136.22 (9) for contamination cleanup grants, as provided in paragraph (c);

136.23 (10) to assess and remove abandoned underground storage tanks under section 115C.094
 136.24 and, if a release is discovered, to pay for the specific consultant and contractor services
 136.25 costs necessary to complete the tank removal project, including, but not limited to, excavation
 136.26 soil sampling, groundwater sampling, soil disposal, and completion of an excavation report;
 136.27 ~~and~~

136.28 (11) to acquire interests in real or personal property, including easements, environmental
 136.29 covenants under chapter 114E, and leases, that the agency determines are necessary for
 136.30 corrective actions or to ensure the protectiveness of corrective actions. A donation of an

137.1 interest in real property to the agency is not effective until the agency executes a certificate
137.2 of acceptance. The state is not liable under this chapter solely as a result of acquiring an
137.3 interest in real property under this clause. Agency approval of an environmental covenant
137.4 under chapter 114E is sufficient evidence of acceptance of an interest in real property when
137.5 the agency is expressly identified as a holder in the covenant. Acquisition of real property
137.6 under this clause, except environmental covenants under chapter 114E, is subject to approval
137.7 by the board; and

137.8 (12) to partially reimburse the cost of replacing pressurized single-walled steel piping
137.9 related equipment in underground petroleum storage tank systems under section 115C.09,
137.10 subdivision 3l.

137.11 (b) Except as provided in paragraph (c), money in the fund is appropriated to the board
137.12 to make reimbursements or payments under this section.

137.13 (c) In fiscal years 2010 and 2011, \$3,700,000 is annually appropriated from the fund to
137.14 the commissioner of employment and economic development for contamination cleanup
137.15 grants under section 116J.554. Beginning in fiscal year 2012 and each year thereafter,
137.16 \$6,200,000 is annually appropriated from the fund to the commissioner of employment and
137.17 economic development for contamination cleanup grants under section 116J.554. Of this
137.18 amount, the commissioner may spend up to \$225,000 annually for administration of the
137.19 contamination cleanup grant program. The appropriation does not cancel and is available
137.20 until expended. The appropriation shall not be withdrawn from the fund nor the fund balance
137.21 reduced until the funds are requested by the commissioner of employment and economic
137.22 development. The commissioner shall schedule requests for withdrawals from the fund to
137.23 minimize the necessity to impose the fee authorized by subdivision 2. Unless otherwise
137.24 provided, the appropriation in this paragraph may be used for:

137.25 (1) project costs at a qualifying site if a portion of the cleanup costs are attributable to
137.26 petroleum contamination or new and used tar and tar-like substances, including but not
137.27 limited to bitumen and asphalt, but excluding bituminous or asphalt pavement, that consist
137.28 primarily of hydrocarbons and are found in natural deposits in the earth or are distillates,
137.29 fractions, or residues from the processing of petroleum crude or petroleum products as
137.30 defined in section 296A.01; and

137.31 (2) the costs of performing contamination investigation if there is a reasonable basis to
137.32 suspect the contamination is attributable to petroleum or new and used tar and tar-like
137.33 substances, including but not limited to bitumen and asphalt, but excluding bituminous or
137.34 asphalt pavement, that consist primarily of hydrocarbons and are found in natural deposits

138.1 in the earth or are distillates, fractions, or residues from the processing of petroleum crude
138.2 or petroleum products as defined in section 296A.01.

138.3 Sec. 2. Minnesota Statutes 2024, section 115C.09, is amended by adding a subdivision to
138.4 read:

138.5 Subd. 31. Reimbursement; single-walled steel piping. (a) For the purposes of this
138.6 subdivision, the following terms have the meanings given:

138.7 (1) "eligible equipment" means all equipment between the underground petroleum storage
138.8 tank and the dispenser, including piping, probes, monitors, pumps, containment, and electrical
138.9 equipment to support the equipment. Eligible equipment does not include underground
138.10 petroleum storage tanks, dispensers, canopies, site improvements, or signage replacement;

138.11 (2) "eligible location" means an underground petroleum storage tank system that is
138.12 located in Minnesota, has pressurized single-walled steel piping, and was installed before
138.13 the effective date of this subdivision; and

138.14 (3) "qualified person" means someone who is registered as a contractor under sections
138.15 115C.11 to 115C.12 and, as part of the person's trade or business, installs or repairs
138.16 pressurized underground petroleum storage tank systems.

138.17 (b) Notwithstanding any other provision of this chapter or any rules adopted under this
138.18 chapter, for replacement projects beginning after January 1, 2027, the board must reimburse
138.19 an owner 50 percent of the cost of replacing existing eligible equipment at eligible locations
138.20 with eligible equipment that meets all current applicable federal and Minnesota regulations
138.21 and standards, provided that:

138.22 (1) the owner considered at least two bids and selected the bid with the lowest total cost;
138.23 and

138.24 (2) the board determines that the costs incurred were reasonable.

138.25 (c) The board must not reimburse costs that the board determines were unreasonable.

138.26 (d) Reimbursement under paragraph (b) must not exceed \$100,000 per eligible location.

138.27 (e) The maximum annual expenditure from the fund established under section 115C.08
138.28 for purposes of this subdivision must not exceed \$4,000,000.

138.29 (f) An owner that owns or operates multiple eligible locations must not receive
138.30 reimbursement for more than two eligible locations per calendar year.

138.31 (g) An owner may be reimbursed for the costs of:

- 139.1 (1) all eligible equipment;
- 139.2 (2) labor completed by a qualified person and associated with eligible equipment
- 139.3 installation;
- 139.4 (3) labor completed by a qualified person and associated with dirt and concrete work
- 139.5 directly associated with installing eligible equipment; and
- 139.6 (4) permits, freight, and shipping directly related to eligible equipment.
- 139.7 (h) Nothing in this subdivision prohibits an owner from receiving reimbursement from
- 139.8 other sources for costs that are not reimbursed under this subdivision.
- 139.9 (i) This subdivision expires June 30, 2037.

139.10 Sec. 3. Minnesota Statutes 2025 Supplement, section 216B.16, subdivision 15, is amended

139.11 to read:

139.12 **Subd. 15. Low-income affordability programs.** (a) The commission must consider

139.13 ability to pay as a factor in setting utility rates and may establish affordability programs for

139.14 low-income residential ratepayers in order to ensure affordable, reliable, and continuous

139.15 service to low-income utility customers. A public utility serving low-income residential

139.16 ratepayers who use natural gas or service from a thermal energy network, as defined in

139.17 section 216B.2427, subdivision 1, for heating must file an affordability program with the

139.18 commission.

139.19 (b) Any affordability program the commission orders a utility to implement must:

139.20 (1) lower the percentage of income that participating low-income households devote to

139.21 energy bills;

139.22 (2) increase participating customer payments over time by increasing the frequency of

139.23 payments;

139.24 (3) decrease or eliminate participating customer arrears;

139.25 (4) lower the utility costs associated with customer account collection activities; and

139.26 (5) coordinate the program with other available low-income bill payment assistance and

139.27 conservation resources.

139.28 (c) In ordering affordability programs, the commission may require public utilities to

139.29 file program evaluations that measure the effect of the affordability program on:

139.30 (1) the percentage of income that participating households devote to energy bills;

140.1 (2) service disconnections; and

140.2 (3) frequency of customer payments, utility collection costs, arrearages, and bad debt.

140.3 (d) The commission must issue orders necessary to implement, administer, and evaluate
 140.4 affordability programs, and to allow a utility to recover program costs, including
 140.5 administrative costs, on a timely basis. The commission may not allow a utility to recover
 140.6 administrative costs, excluding start-up costs, in excess of five percent of total program
 140.7 costs, or program evaluation costs in excess of two percent of total program costs. The
 140.8 commission must permit deferred accounting, with carrying costs, for recovery of program
 140.9 costs incurred during the period between general rate cases.

140.10 (e) Public utilities may use information collected or created for the purpose of
 140.11 administering energy assistance to administer affordability programs.

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

140.13 Sec. 4. **[216B.2429] THERMAL ENERGY NETWORKS.**

140.14 **Subdivision 1. Definitions.** For the purposes of this section, "thermal energy network"
 140.15 or "TEN" has the meaning given in section 216B.2427, subdivision 1.

140.16 **Subd. 2. Thermal energy network service.** A public utility may offer service by a
 140.17 thermal energy network.

140.18 **Subd. 3. Cost recovery.** A public utility must, subject to commission review and
 140.19 approval, recover reasonable and prudently incurred costs of implementing an approved
 140.20 TEN in a general rate case or, before December 31, 2036, in a thermal energy network
 140.21 service rider.

140.22 **Subd. 4. TEN consumer protection.** A utility's provision of service by a TEN is subject
 140.23 to the same laws, protections, and commission authority to which a utility's provision of
 140.24 natural gas service is subject under this chapter.

140.25 **Subd. 5. TEN siting; priorities.** In assessing locations at which to site a TEN, a utility
 140.26 must give preference to an area:

140.27 (1) whose residents have expressed a desire to have a TEN installed;

140.28 (2) whose characteristics resemble those of an area in which a successful TEN was
 140.29 completed under a natural gas innovation plan filed under section 216B.2427; or

140.30 (3) that includes or is within an environmental justice area, as defined in section 116.065,
 140.31 subdivision 1, paragraph (e).

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

141.2 Sec. 5. **[216C.392] SUPPLEMENTAL ENERGY ASSISTANCE GRANT PROGRAM.**

141.3 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
141.4 the meanings given.

141.5 (b) "Crisis grant" means a grant to a low-income household to prevent shut-off of
141.6 residential energy services, reinstate residential energy services, or enable delivery of
141.7 residential fuels.

141.8 (c) "LIHEAP" has the meaning given in section 142G.02, subdivision 59.

141.9 (d) "Primary energy grant" means a grant to help a low-income household maintain and
141.10 continue affordable energy service.

141.11 Subd. 2. **Establishment.** A supplemental energy assistance grant program is established
141.12 in the department to award grants to eligible applicants. The purpose of the program is to
141.13 assist low-income households experiencing energy burden to pay the costs of heating,
141.14 cooling, and other home energy costs throughout the year.

141.15 Subd. 3. **Applications; procedures.** (a) The commissioner must develop policies and
141.16 procedures governing the grant application and award process, and must leverage existing
141.17 LIHEAP application processes and infrastructure to the maximum degree practicable.

141.18 (b) An eligible applicant must file an application with the commissioner on a form
141.19 developed by the commissioner. The form must be available to eligible applicants in both
141.20 a paper and electronic format.

141.21 Subd. 4. **Eligibility.** (a) A Minnesota resident whose household income is below the
141.22 income eligibility threshold identified in the Minnesota LIHEAP Detailed Model Plan
141.23 submitted to the United States Department of Health and Human Services for the applicable
141.24 program year is eligible to receive a grant award under this section. If the LIHEAP Detailed
141.25 Model Plan is not available, the commissioner may develop a similar income eligibility
141.26 threshold.

141.27 (b) An organization with experience conducting outreach for programs designed for
141.28 low-income households is eligible for grants awarded under subdivision 6, clause (4).

141.29 Subd. 5. **Grant awards.** (a) When awarding grants under this section, the commissioner
141.30 may give priority to expanding the number of households receiving energy assistance over
141.31 increasing grant amounts to households that already received assistance under LIHEAP
141.32 during the same year.

142.1 (b) To the extent practicable, available LIHEAP funds must be awarded to all eligible
142.2 applicants for primary energy and crisis grants before energy and crisis grants are awarded
142.3 under this section.

142.4 Subd. 6. **Types of grants.** The commissioner may award grants under this section for:

142.5 (1) crisis grants to households that received a LIHEAP primary energy grant from federal
142.6 funds but did not receive the maximum crisis grant amount while federal funds allocated
142.7 for crisis grants were available;

142.8 (2) primary energy and crisis grants to eligible households that did not receive LIHEAP
142.9 primary energy and crisis grants from federal funds;

142.10 (3) emergency heating system repair or replacement; and

142.11 (4) outreach activities.

142.12 Subd. 7. **Reporting.** (a) Beginning January 31, 2028, and annually thereafter until January
142.13 31, 2030, the commissioner must submit a report to the chairs and ranking minority members
142.14 of the senate and house of representatives committees with primary jurisdiction over energy
142.15 policy and finance that documents state supplemental energy assistance grant awards made
142.16 under this section during the previous program year from October 1 to September 30.

142.17 (b) To the extent practicable, the following information on grants awarded under this
142.18 section must be reported by statewide total, by county, and by census tract within cities with
142.19 populations over 30,000:

142.20 (1) the number of households awarded a grant;

142.21 (2) the number of households served that did not receive a LIHEAP primary energy
142.22 grant;

142.23 (3) the average primary energy grant award;

142.24 (4) the average crisis grant award; and

142.25 (5) average annual costs of heating and electricity for households served.

142.26 (c) The following information on grants awarded under this section may be reported as
142.27 statewide totals:

142.28 (1) the average household income of grant recipients;

142.29 (2) a distribution of grant awards by grant recipients' household income, expressed as a
142.30 percentage of the federal poverty level established by the United States Department of
142.31 Health and Human Services;

143.1 (3) the number of households that include a person over 60 years old;

143.2 (4) the number of households that include a disabled person;

143.3 (5) the number of households that include a child under six years old; and

143.4 (6) the number of households served by race or ethnicity.

143.5 (d) A report under this section must comply with chapter 13, including provisions

143.6 establishing data on individuals as not public in order to ensure the individual privacy of

143.7 applicants.

143.8 **Sec. 6. APPROPRIATION; PUBLIC UTILITIES COMMISSION.**

143.9 \$40,000 in fiscal year 2027 is appropriated from the general fund to the Public Utilities

143.10 Commission for thermal energy network services provided under Minnesota Statutes, section

143.11 216B.2429.

143.12 **Sec. 7. APPROPRIATION; DEPARTMENT OF COMMERCE.**

143.13 (a) \$15,000,000 in fiscal year 2027 is appropriated from the general fund to the

143.14 commissioner of commerce for the supplemental energy assistance grant program under

143.15 Minnesota Statutes, section 216C.392. This is a onetime appropriation and is available until

143.16 December 31, 2029.

143.17 (b) Of the amount appropriated in paragraph (a):

143.18 (1) up to 12.5 percent may be used for staffing and other costs associated with

143.19 administering the supplemental energy assistance grant program under Minnesota Statutes,

143.20 section 216C.392, including program planning and preparation, reviewing applications and

143.21 verifying information, and entering data into a central electronic system maintained by the

143.22 Department of Commerce. Of this funding, up to 2.5 percent may be used by the Department

143.23 of Commerce. The remaining amount allocated under this clause may be used to reimburse

143.24 reasonable administrative costs incurred under Minnesota Statutes, section 216C.392, by

143.25 service providers contracted by the Department of Commerce to deliver LIHEAP services;

143.26 and

143.27 (2) up to five percent may be used to reimburse the reasonable costs incurred under

143.28 Minnesota Statutes, section 216C.392, by organizations the department has contracted with

143.29 to provide outreach and assistance to households to complete grant applications under

143.30 Minnesota Statutes, section 216C.392. Priority for grants awarded under this clause must

144.1 be given to organizations that have the ability to conduct outreach to underserved
 144.2 communities and populations, including current service providers and other organizations.

144.3 **ARTICLE 9**

144.4 **RENEWABLE DEVELOPMENT FINANCE**

144.5 Section 1. **RENEWABLE DEVELOPMENT FINANCE.**

144.6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 144.7 and for the purposes specified in this article. Notwithstanding Minnesota Statutes, section
 144.8 116C.779, subdivision 1, paragraph (j), the appropriations are from the renewable
 144.9 development account in the special revenue fund established in Minnesota Statutes, section
 144.10 116C.779, subdivision 1, and are available for the fiscal years indicated for each purpose.
 144.11 The figures "2026" and "2027" used in this article mean that the appropriations listed under
 144.12 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.
 144.13 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"
 144.14 is fiscal years 2026 and 2027. The appropriations in this article are onetime.

144.15 **APPROPRIATIONS**

144.16 **Available for the Year**

144.17 **Ending June 30**

144.18 **2026 2027**

144.19 Sec. 2. **DEPARTMENT OF COMMERCE**

144.20 Subdivision 1. **Total Appropriation** \$ **-0-** \$ **22,335,000**

144.21 The amounts that may be spent for each
 144.22 purpose are specified in the following
 144.23 subdivisions.

144.24 **Subd. 2. Microgrid Research and Application**

144.25 \$800,000 the second year is for a grant to the
 144.26 University of St. Thomas Center for Microgrid
 144.27 Research, which must be used to:

144.28 (1) increase the center's capacity to provide
 144.29 industry partners with opportunities to test
 144.30 near-commercial microgrid products on a
 144.31 real-world scale and to multiply opportunities
 144.32 for innovative research;

145.1 (2) procure advanced equipment and controls
145.2 to enable the extension of the university's
145.3 microgrid to additional buildings; and
145.4 (3) expand (i) hands-on educational
145.5 opportunities for undergraduate and graduate
145.6 electrical engineering students to increase
145.7 understanding of microgrid operations, and
145.8 (ii) partnerships with community colleges.
145.9 This appropriation is available until June 30,
145.10 2029.

145.11 **Subd. 3. Green Hydrogen Project**

145.12 \$3,500,000 the second year is for a grant to
145.13 the city of St. Cloud for the Green Hydrogen
145.14 Project to incorporate a battery and renewable
145.15 energy system. This appropriation is available
145.16 until June 30, 2029.

145.17 **Subd. 4. Anaerobic Digester Energy System**

145.18 \$5,000,000 the second year is for a grant to
145.19 Ramsey/Washington Recycling and Energy,
145.20 in partnership with Dem-Con HZI Bioenergy,
145.21 LLC, to construct an anaerobic digester energy
145.22 system in Louisville Township. For the
145.23 purposes of this subdivision, "anaerobic
145.24 digester energy system" means a facility that
145.25 uses diverted food and organic waste to create
145.26 renewable natural gas and biochar. This
145.27 appropriation is available until June 30, 2029.

145.28 **Subd. 5. Como Zoo Geothermal Energy System**

145.29 \$2,250,000 the second year is for a grant to
145.30 Como Zoo in the city of St. Paul to construct
145.31 a geothermal energy system that provides
145.32 space heating and cooling to the large cats
145.33 building. For the purposes of this subdivision,
145.34 "geothermal energy system" means a system

146.1 composed of a heat pump that moves a
146.2 heat-transferring fluid through piping
146.3 embedded in the earth and absorbs the earth's
146.4 constant temperature, a heat exchanger, and
146.5 ductwork to distribute heated and cooled air
146.6 to a building. This appropriation is available
146.7 until June 30, 2029.

146.8 **Subd. 6. Minnesota Energy Alley**

146.9 (a) \$2,000,000 the first year is for a grant to
146.10 Clean Energy Economy Minnesota for the
146.11 Minnesota Energy Alley initiative. The
146.12 initiative is designed to promote energy
146.13 innovation through supporting energy
146.14 entrepreneurs and emerging businesses to
146.15 commercialize energy solutions by matching
146.16 promising innovators with established and
146.17 trustworthy Minnesota-based public and
146.18 private partners to demonstrate emerging
146.19 technologies in real-world applications. The
146.20 grant may be used to provide seed funding for
146.21 businesses, develop a training and
146.22 development program, support recruitment of
146.23 entrepreneurs to Minnesota, and secure
146.24 funding from federal programs and corporate
146.25 partners to establish a self-sustaining,
146.26 long-term revenue model. This appropriation
146.27 is available until June 30, 2028.

146.28 (b) By January 15, 2028, the commissioner of
146.29 commerce must submit a written report to the
146.30 chairs and ranking minority members of the
146.31 house of representatives and senate
146.32 committees with jurisdiction over energy
146.33 finance and policy on the activities and
146.34 accomplishments of the Minnesota Energy
146.35 Alley initiative during the previous fiscal year

147.1 and the disposition of this appropriation,
147.2 including a separate statement of the amount
147.3 of administrative costs.

147.4 **Subd. 7. Ammonia, Hydrogen, and Renewable**
147.5 **Energy Certificate Tracking**

147.6 (a) \$2,000,000 the second year is for a grant
147.7 to CleanCounts for technology that enables
147.8 tradable ammonia, hydrogen, and renewable
147.9 energy certificates.

147.10 (b) Beginning January 1, 2027, and through
147.11 January 1, 2031, an entity that receives a grant
147.12 under this subdivision must submit a report to
147.13 the legislative auditor that details how the
147.14 grant money received has been spent.

147.15 (c) Beginning January 1, 2031, and through
147.16 January 1, 2036, an entity that receives a grant
147.17 under this subdivision must report to the
147.18 commissioners of commerce and agriculture
147.19 regarding the number of ammonia certificates
147.20 issued in Minnesota as a result of the grant
147.21 money received.

147.22 (d) This appropriation is available until June
147.23 30, 2029.

147.24 **Subd. 8. Great Plains Institute**

147.25 \$500,000 the second year is for a grant to the
147.26 Great Plains Institute for work related to
147.27 identifying existing and future areas of the
147.28 state that are suitable for additional distributed
147.29 ammonia production and that have nearby
147.30 wind or other curtailed power. This
147.31 appropriation is available until June 30, 2029.

148.1 **Subd. 9. Macalester College Geothermal Energy**
148.2 **System**

148.3 (a) \$2,570,000 the second year is for a grant
148.4 to Macalester College in St. Paul to construct
148.5 an aquifer-based geothermal energy system
148.6 that provides space heating and cooling to a
148.7 new campus residence hall and welcome
148.8 center, with the capacity for future expansion
148.9 to serve as a district heating and cooling plant
148.10 for all campus buildings north of Grand
148.11 Avenue. This appropriation is available until
148.12 June 30, 2029.

148.13 (b) For purposes of this section, "aquifer-based
148.14 geothermal energy system" means a system
148.15 composed of wells that access underground
148.16 aquifers, heat pumps that transfer thermal
148.17 energy between buildings and the aquifer, heat
148.18 exchangers, and associated distribution
148.19 infrastructure.

148.20 **Subd. 10. Biomass Energy Facility**

148.21 (a) \$715,000 the second year is for a grant to
148.22 Liberty Paper, Inc. to study and plan for an
148.23 anaerobic digester or a biomass thermal
148.24 generation facility in the city of Becker. This
148.25 is a onetime appropriation and is available
148.26 until June 30, 2029.

148.27 (b) For purposes of this section, the following
148.28 terms have the meanings given: (1) "anaerobic
148.29 digester" means a facility that uses diverted
148.30 food and organic waste to generate renewable
148.31 natural gas and biochar; (2) "biochar" means
148.32 a solid substance, made from burning organic
148.33 material, that sequesters carbon and is capable
148.34 of being used as a soil application; and (3)
148.35 "biomass thermal generation facility" means

149.1 a facility that generates energy for commercial
 149.2 heat or industrial process heat from the
 149.3 combustion of organic material.

149.4 **Subd. 11. Geothermal Energy System; The**
 149.5 **Heights Community Energy**

149.6 (a) \$3,000,000 in the second year is for a grant
 149.7 to The Heights Community Energy to
 149.8 construct a geothermal energy system.

149.9 (b) For purposes of this section, "geothermal
 149.10 energy system" means a system composed of
 149.11 one or more heat pumps connected to piping
 149.12 embedded in the earth that exchanges thermal
 149.13 energy with the earth and associated
 149.14 distribution and building mechanical
 149.15 infrastructure to provide heating and cooling
 149.16 to one or more buildings.

149.17 **Subd. 12. Grant Administration**

149.18 Notwithstanding Minnesota Statutes, section
 149.19 16B.98, subdivision 14, the commissioner may
 149.20 use up to \$250,000 of the amount in this
 149.21 section for the administrative costs of the
 149.22 grants in this section.

149.23 **Sec. 3. UNIVERSITY OF MINNESOTA \$ -0- \$ 2,900,000**

149.24 (a) \$1,500,000 the second year is for research,
 149.25 development, outreach, and demonstration of
 149.26 energy systems that use hydrogen and
 149.27 ammonia production from renewable energy
 149.28 resources and other sources of clean energy
 149.29 as a means of storing and generating
 149.30 electricity. This appropriation is available until
 149.31 June 30, 2029.

149.32 (b) \$650,000 the second year is for the Natural
 149.33 Resources Research Institute to evaluate the
 149.34 state's geological hydrogen potential. The

150.1 evaluation must include: (1) the availability
 150.2 of the mined hydrogen resource; (2) the
 150.3 feasibility of extracting the hydrogen from
 150.4 underground deposits; (3) the potential
 150.5 groundwater management challenges; and (4)
 150.6 cost-effective strategies for storing and
 150.7 transporting mined hydrogen. The Natural
 150.8 Resources Research Institute must submit the
 150.9 evaluation and an interim report to the chairs
 150.10 and ranking minority members of the
 150.11 legislative committees with jurisdiction over
 150.12 energy policy and finance by May 15, 2028,
 150.13 and a final report by May 15, 2029.

150.14 (c) \$750,000 the second year is for the Natural
 150.15 Resources Research Institute to evaluate new
 150.16 feedstock resources for a globally competitive,
 150.17 next generation iron ore industry. The study
 150.18 must include but is not limited to
 150.19 quantification and characterization of
 150.20 resources related to iron ore, energy, water,
 150.21 hydrogen, biomass, carbon materials, process
 150.22 technologies, transportation, and
 150.23 manufacturing infrastructure that support
 150.24 cross-coupling of iron production with
 150.25 industries such as liquid fuels and ammonia.

150.26 The Natural Resources Research Institute must
 150.27 submit the results of the study and an interim
 150.28 report to the chairs and ranking minority
 150.29 members of the legislative committees with
 150.30 jurisdiction over energy policy and finance by
 150.31 May 15, 2028, and a final report by May 15,
 150.32 2029.

150.33 **Sec. 4. POLLUTION CONTROL AGENCY \$ -0- \$ 3,000,000**

150.34 \$3,000,000 the second year is for a grant to
 150.35 the owner of a biomass energy generation

151.1 plant in Shakopee that uses waste heat from
 151.2 the generation of electricity in the malting
 151.3 process to purchase equipment to facilitate the
 151.4 disposal of wood that is infested by emerald
 151.5 ash borer. This appropriation is available until
 151.6 June 30, 2029. Notwithstanding Minnesota
 151.7 Statutes, section 16B.98, subdivision 14, the
 151.8 commissioner of the Pollution Control Agency
 151.9 may use up to \$25,000 of the amount in this
 151.10 section for the administrative costs of this
 151.11 grant.

151.12 **Sec. 5. DEPARTMENT OF AGRICULTURE \$ -0- \$ 4,000,000**

151.13 \$4,000,000 the second year is for a grant to
 151.14 TalusAg for the production and operation of
 151.15 at least two green fertilizer production systems
 151.16 located in Minnesota. This appropriation is
 151.17 available until June 30, 2029. Notwithstanding
 151.18 Minnesota Statutes, section 16B.98,
 151.19 subdivision 14, the commissioner of
 151.20 agriculture may use up to \$25,000 of the
 151.21 amount in this section for the administrative
 151.22 costs of this grant.

151.23 **Sec. 6. PUBLIC UTILITIES COMMISSION \$ -0- \$ 300,000**

151.24 (a) \$300,000 the second year is to contract
 151.25 with a third party to conduct a study to inform
 151.26 policymakers regarding the potential impact
 151.27 of new nuclear generation on the public
 151.28 interest of Minnesota, including affordability,
 151.29 reliability, environmental protection, public
 151.30 health, and equitable outcomes.
 151.31 (b) The commission must issue a competitive
 151.32 request for proposals and contract with an
 151.33 independent, qualified entity or consortium
 151.34 with demonstrated expertise in relevant subject

152.1 matter, and with no material financial interest
152.2 in the expansion of nuclear generation. The
152.3 commission must ensure balanced
152.4 representation of perspectives in the study.
152.5 The selected entity must disclose any potential
152.6 conflicts of interest to the commission. If the
152.7 commission determines that issuing a
152.8 competitive request for proposals would
152.9 unreasonably delay completion of the study
152.10 within the required timeline, the commission
152.11 may contract on a sole-source basis, provided
152.12 that the selected entity meets the qualifications
152.13 and independence requirements under this
152.14 paragraph.

152.15 (c) The study must be completed no later than
152.16 January 30, 2027, and must include, at a
152.17 minimum, discussion of:

152.18 (1) changes in federal regulations governing
152.19 the licensing of nuclear-powered facilities that
152.20 may speed the review and approval process;

152.21 (2) technological advances made with respect
152.22 to conventional nuclear-powered facilities that
152.23 affect safety and cost;

152.24 (3) full life cycle costs, including capital costs,
152.25 financing costs, construction risk, cost
152.26 overruns, decommissioning costs, waste
152.27 management, and long-term liability exposure
152.28 compared to alternative resource options. The
152.29 analysis must include historical evidence from
152.30 comparable projects in the United States and
152.31 internationally;

152.32 (4) ratepayer impacts where new nuclear
152.33 generation has been developed, including
152.34 effects on electricity rates, cost and schedule

- 153.1 overruns, and the allocation of financial risk
153.2 between ratepayers and developers;
- 153.3 (5) public finance protections such as public
153.4 subsidies, tax expenditures, and financial
153.5 incentives required, and the opportunity cost
153.6 of those public investments;
- 153.7 (6) the prospects for small modular reactors
153.8 and factory-built portable modules with a
153.9 capacity up to 300 megawatts, including:
- 153.10 (i) the types of technologies available;
153.11 (ii) current licensing status; and
153.12 (iii) estimated costs;
- 153.13 (7) siting issues, including:
- 153.14 (i) the degree to which the requirement for
153.15 proximity to water resources sufficient for
153.16 cooling purposes restricts possible locations
153.17 of nuclear facilities, and what locations
153.18 meeting that requirement are available in this
153.19 state;
- 153.20 (ii) the potential for colocating nuclear
153.21 facilities with businesses that demand very
153.22 large amounts of electricity;
- 153.23 (iii) the environmental impacts of nuclear
153.24 facilities, including impacts on the health of
153.25 nearby residents;
- 153.26 (iv) the prospects for acceptance of nuclear
153.27 facilities by host communities, and best
153.28 practices for engaging communities on this
153.29 issue; and
- 153.30 (v) how interconnection and transmission
153.31 issues affect potential plant locations;
- 153.32 (8) nuclear waste issues, including:

- 154.1 (i) the amount and toxicity of radioactive
154.2 waste produced by both conventional nuclear
154.3 technologies and small modular reactors;
- 154.4 (ii) the costs of on-site storage;
- 154.5 (iii) the prospects for developing permanent
154.6 storage of radioactive waste at either a
154.7 federally owned or privately owned repository
154.8 to which Minnesota's waste could be
154.9 transported; and
- 154.10 (iv) the feasibility and cost of reprocessing
154.11 nuclear waste;
- 154.12 (9) the economic impacts of various nuclear
154.13 technologies on a host community, including:
- 154.14 (i) increased employment levels during
154.15 construction and operations;
- 154.16 (ii) increased local economic activity resulting
154.17 from purchases made by the nuclear-powered
154.18 facility and the facility's employees; and
- 154.19 (iii) potential tax revenue to local
154.20 communities, local schools, and the state;
- 154.21 (10) impacts of new nuclear-powered electric
154.22 generating plants on public safety officials and
154.23 emergency responders in host communities
154.24 and adjacent areas with respect to emergency
154.25 planning efforts;
- 154.26 (11) system integration, including impacts on
154.27 grid flexibility, compatibility with high levels
154.28 of renewable energy, ramping capability, and
154.29 implications for achieving Minnesota's
154.30 greenhouse gas reduction goals;
- 154.31 (12) how new nuclear generation could
154.32 accelerate or delay achievement of, and assist
154.33 or hinder ongoing compliance with,

- 155.1 Minnesota's statutory greenhouse gas
 155.2 reduction and carbon-free electricity goals,
 155.3 including comparison of deployment
 155.4 timelines;
- 155.5 (13) expected timelines from permitting
 155.6 through operation, including historical
 155.7 averages and delays for similar projects;
- 155.8 (14) current Minnesota statutes and
 155.9 administrative rules that would require
 155.10 modification in order to enable the
 155.11 construction and operation of advanced
 155.12 nuclear reactors;
- 155.13 (15) the feasibility of replacing retiring
 155.14 generation assets in host communities with
 155.15 advanced nuclear reactors; and
- 155.16 (16) the workforce required and available, and
 155.17 the training capacity necessary to construct
 155.18 and operate new nuclear reactors.
- 155.19 (d) The study must be conducted transparently,
 155.20 with all data, assumptions, and models
 155.21 publicly available.
- 155.22 (e) No later than February 1, 2027, the
 155.23 commission must submit the study to the
 155.24 chairs and ranking minority members of the
 155.25 senate and house of representatives
 155.26 committees responsible for energy policy and
 155.27 finance.
- 155.28 **Sec. 7. TRANSFERS.**
- 155.29 (a) \$2,000,000 in fiscal year 2027 is transferred from the renewable development account
 155.30 in the special revenue fund to the geothermal planning grant account under Minnesota
 155.31 Statutes, section 216C.47, subdivision 3. This is a onetime transfer.

156.1 (b) \$4,465,000 in fiscal year 2027 is transferred from the renewable development account
156.2 in the special revenue fund to the preweatherization account under Minnesota Statutes,
156.3 section 216C.264, subdivision 1c. This is a onetime transfer.

156.4 **ARTICLE 10**

156.5 **JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS**

156.6 Section 1. **WORKFORCE DEVELOPMENT FUND APPROPRIATIONS.**

156.7 Subdivision 1. **Appropriations.** The amounts specified in the following subdivisions
156.8 are appropriated from the workforce development fund to the commissioner of employment
156.9 and economic development for the purposes specified in each subdivision. The appropriations
156.10 are in fiscal year 2027 and onetime. Notwithstanding Minnesota Statutes, sections 16B.98,
156.11 subdivision 14, and 116J.035, subdivision 7, the commissioner may use up to three percent
156.12 of the amounts appropriated for administrative costs.

156.13 Subd. 2. **Wallin Education Partners.** \$100,000 is for a grant to Wallin Education
156.14 Partners to support its career development program, which provides career exploration, skill
156.15 building, mentoring, direct talent pipeline development, and early employment readiness
156.16 for underresourced participants. Money may also be used to expand Wallin's construction
156.17 and health care pathways programs, which offer advising, hands-on learning, and work-based
156.18 experience to prepare participants for careers in construction and health care.

156.19 Subd. 3. **New Pathways.** \$130,000 is for a grant to New Pathways in Cambridge to
156.20 support preemployment and job readiness programming for families with children
156.21 experiencing homelessness. Money may be used to provide individualized employment
156.22 preparation, resume and job application assistance, interview readiness, and connections to
156.23 local employers and training programs. This programming must help parents overcome
156.24 barriers to employment while working toward stable housing and self-sufficiency through
156.25 case management, family education, and partnerships with community resources.

156.26 Subd. 4. **People Serving People.** \$250,000 is for a grant to People Serving People in
156.27 Minneapolis to provide preemployment and job readiness services for parents and adults
156.28 experiencing homelessness. Money may be used for resume and cover letter writing support,
156.29 job search and application assistance, mock interviews, interview and work clothing, uniform
156.30 and licensure fee assistance, technology access, financial fitness classes, and child care and
156.31 transportation support to help families overcome barriers to employment, achieve financial
156.32 stability, and build pathways to long-term self-sufficiency.

157.1 Subd. 5. **Local News Talent Pipeline Program.** \$250,000 is for a grant to the Minnesota
157.2 News Media Institute for a local news talent pipeline program, a statewide initiative to
157.3 encourage Minnesotans to seek careers in journalism and local news operations and
157.4 strengthen the capacity of Minnesota news outlets. Grant money must be used by the
157.5 recipients to provide paid internships with Minnesota newspapers, television and radio
157.6 broadcasters, and digital news platforms for individuals to gain experience in reporting,
157.7 editing, media design, and other operational functions. To the extent practicable, the
157.8 Minnesota News Media Institute should seek a balanced geographic distribution of grants
157.9 and allocation of grants across different news mediums. The Minnesota News Media Institute
157.10 must consult with local Minnesota-based news organization associations, including the
157.11 Minnesota Broadcasters Association and Minnesota Newspaper Association, on the
157.12 administration of the grant program. The Minnesota News Media Institute may retain up
157.13 to five percent of funding to cover administrative expenses of operating the grant program.

157.14 Subd. 6. **Appetite for Change.** \$150,000 is for a grant to Appetite For Change for the
157.15 Youth Training and Opportunities Program to provide workforce training for local youth
157.16 in urban agriculture, culinary arts, and leadership development.

157.17 Subd. 7. **180 Degrees.** \$250,000 is for a grant to 180 Degrees, serving teens in Hennepin,
157.18 Ramsey, Stearns, Carver, and Olmsted Counties and surrounding areas, to support youth
157.19 and young adult employment readiness and exposure to career opportunities. Money may
157.20 be used for career exploration, resume development, mock interviews, and work readiness
157.21 training that fosters hope, self-sufficiency, and positive career pathways for young people
157.22 at risk of or experiencing homelessness, helping them break cycles of poverty and avoid
157.23 exploitation or chronic instability.

157.24 Subd. 8. **The Cookie Cart.** \$300,000 is for a grant to The Cookie Cart for earn and learn
157.25 workforce training for youth ages 14 to 18 to provide life, leadership, and employment skills
157.26 through on-the-job and classroom experiences in a nonprofit bakery.

157.27 Subd. 9. **Hmong American Partnership.** \$500,000 is for a grant to the Hmong American
157.28 Partnership for job training and employment services.

157.29 Subd. 10. **Getting to Work Grant Program.** \$1,000,000 is for the getting to work grant
157.30 program under Minnesota Statutes, section 116J.545.

157.31 Subd. 11. **Enterprise Minnesota, Inc.** \$2,000,000 is for a grant to Enterprise Minnesota,
157.32 Inc., to directly invest in Minnesota manufacturers under the Made in Minnesota program
157.33 under Minnesota Statutes, section 116O.115, and for operations of Enterprise Minnesota,
157.34 Inc.

158.1 Sec. 2. **APPROPRIATION; IGNITE BUSINESSWOMEN INVESTMENT GROUP**
158.2 **FOUNDATION.**

158.3 \$100,000 in fiscal year 2027 is appropriated from the general fund to the commissioner
158.4 of employment and economic development for a grant to Ignite Businesswomen Investment
158.5 Group Foundation to provide capacity building and business development support for women
158.6 entrepreneurs. Money appropriated under this section must be used to provide:

158.7 (1) business planning, leadership development, financial literacy, technology training,
158.8 and marketing support; and

158.9 (2) grants to community-based organizations specializing in women-focused
158.10 entrepreneurship support.

158.11 This is a onetime appropriation. Notwithstanding Minnesota Statutes, sections 16B.98,
158.12 subdivision 14, and 116J.035, subdivision 7, the commissioner may use up to two percent
158.13 of the amount appropriated for administrative costs.

158.14 Sec. 3. **RURAL CANCER INSTITUTE PILOT PROGRAM APPROPRIATION**
158.15 **MODIFICATION.**

158.16 (a) The appropriation for the Rural Cancer Institute pilot program in Laws 2025, First
158.17 Special Session chapter 6, article 1, section 2, subdivision 3, paragraph (bbb), must prioritize
158.18 Minnesota clinicians and students. The Rural Cancer Institute may work with clinicians and
158.19 students from elsewhere in the United States if the clinician or student receives the
158.20 recommendation of a practicing Minnesota oncologist and all care is provided in Minnesota.

158.21 (b) The appropriations in fiscal years 2026 and 2027 for the Rural Cancer Institute pilot
158.22 program in Laws 2025, First Special Session chapter 6, article 1, section 2, subdivision 3,
158.23 paragraph (bbb), are available until June 30, 2028.

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

158.25 Sec. 4. **CANCELLATION.**

158.26 \$100,000 of the fiscal year 2024 Minnesota forward fund account appropriation in Laws
158.27 2023, chapter 53, article 21, section 7, paragraph (c), is canceled.

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

159.1 Sec. 5. **TRANSFER.**

159.2 \$100,000 in fiscal year 2027 is transferred from the Minnesota forward fund account
 159.3 established in Minnesota Statutes, section 116J.8752, subdivision 3, to the general fund.

159.4 This is a onetime transfer.

159.5 **ARTICLE 11**159.6 **LABOR APPROPRIATIONS**159.7 Section 1. **APPROPRIATIONS.**

159.8 Subdivision 1. **Appropriations.** The amounts specified in the following subdivisions
 159.9 are appropriated from the general fund to the commissioner of labor and industry for the
 159.10 purposes specified in each subdivision.

159.11 Subd. 2. **Additional support for Safe Workplaces for Meat and Poultry Processing**
 159.12 **Workers Act.** \$163,000 in fiscal year 2027 is for one added full-time equivalent position
 159.13 to support activities under the Safe Workplaces for Meat and Poultry Processing Workers
 159.14 Act under Minnesota Statutes, sections 179.87 to 179.877.

159.15 Subd. 3. **Suitable seating enforcement.** \$200,000 in fiscal year 2027 is for enforcement
 159.16 of Minnesota Statutes, section 181.995.

159.17 **ARTICLE 12**159.18 **LABOR POLICY**

159.19 Section 1. Minnesota Statutes 2024, section 177.27, subdivision 4, is amended to read:

159.20 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
 159.21 employer to comply with sections 177.21 to 177.435, 177.50, 179.86, 181.02, 181.03,
 159.22 181.031, 181.032, 181.10, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165,
 159.23 181.172, paragraph (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.64,
 159.24 181.722, 181.723, 181.79, 181.85 to 181.89, 181.939 to 181.943, 181.9445 to 181.9448,
 159.25 181.987, 181.991, 181.995, 268B.09, subdivisions 1 to 6, and 268B.14, subdivision 3, with
 159.26 any rule promulgated under section 177.28, 181.213, or 181.215. The commissioner shall
 159.27 issue an order requiring an employer to comply with sections 177.41 to 177.435, 181.165,
 159.28 or 181.987 if the violation is repeated. For purposes of this subdivision only, a violation is
 159.29 repeated if at any time during the two years that preceded the date of violation, the
 159.30 commissioner issued an order to the employer for violation of sections 177.41 to 177.435,
 159.31 181.165, or 181.987 and the order is final or the commissioner and the employer have
 159.32 entered into a settlement agreement that required the employer to pay back wages that were

160.1 required by sections 177.41 to 177.435. The department shall serve the order upon the
160.2 employer or the employer's authorized representative in person or by certified mail at the
160.3 employer's place of business. An employer who wishes to contest the order must file written
160.4 notice of objection to the order with the commissioner within 15 calendar days after being
160.5 served with the order. A contested case proceeding must then be held in accordance with
160.6 sections 14.57 to 14.69 or 181.165. If, within 15 calendar days after being served with the
160.7 order, the employer fails to file a written notice of objection with the commissioner, the
160.8 order becomes a final order of the commissioner. For the purposes of this subdivision, an
160.9 employer includes a contractor that has assumed a subcontractor's liability within the meaning
160.10 of section 181.165.

160.11 Sec. 2. Minnesota Statutes 2024, section 181.03, subdivision 6, is amended to read:

160.12 Subd. 6. **Retaliation.** An employer shall not discharge, discipline, penalize, interfere
160.13 with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee
160.14 for asserting rights or remedies under this section, sections 177.21 to 177.44, 181.01 to
160.15 181.723, ~~or 181.79,~~ or 181.995, including, but not limited to, filing a complaint with the
160.16 department or telling the employer of the employee's intention to file a complaint. In addition
160.17 to any other remedies provided by law, an employer who violates this subdivision is liable
160.18 for a civil penalty of not less than \$700 nor more than \$3,000 per violation.

160.19 Sec. 3. **[181.995] SUITABLE SEATING FOR EMPLOYEES.**

160.20 Subdivision 1. **Suitable seating for employees required.** An employer must provide
160.21 suitable seating for employees and must permit the use of those seats by employees when
160.22 the nature of the work reasonably permits the use of seats. For purposes of this section,
160.23 "suitable seating" means an adequate number of seats placed in reasonable proximity to the
160.24 work area and includes chairs, benches, or stools.

160.25 Subd. 2. **Enforcement.** This section shall be enforced by the commissioner under section
160.26 177.27. A violation of this section is subject to a penalty of up to \$250 for each violation.

160.27 Subd. 3. **Effect on other laws.** Nothing in this section shall be construed to affect any
160.28 provision of law relating to occupational health and safety or in any way diminish the
160.29 coverage of laws relating to pregnancy, disability, or health conditions related to pregnancy
160.30 or childbirth under any other provisions of any other law.

161.1

ARTICLE 13

161.2

STATE GOVERNMENT APPROPRIATIONS

161.3 Section 1. Laws 2023, chapter 70, article 20, section 12, as amended by Laws 2023, chapter

161.4 75, section 13, and Laws 2024, chapter 127, article 67, section 15, is amended to read:

161.5	Sec. 12. COMMISSIONER OF			<u>3,412,000</u>
161.6	MANAGEMENT AND BUDGET	\$	12,932,000	\$ <u>2,412,000</u>

161.7 **(a) Outcomes and evaluation consultation.**

161.8 \$450,000 in fiscal year 2024 and \$450,000 in

161.9 fiscal year 2025 are for outcomes and

161.10 evaluation consultation requirements.

161.11 **(b) Department of Children, Youth, and**

161.12 **Families.** \$11,931,000 in fiscal year 2024 and

161.13 ~~\$2,066,000~~ \$1,066,000 in fiscal year 2025 are

161.14 to establish the Department of Children,

161.15 Youth, and Families. This is a onetime

161.16 appropriation.

161.17 **(c) Health care subcabinet.** \$551,000 in fiscal

161.18 year 2024 and \$664,000 in fiscal year 2025

161.19 are to hire an executive director for the health

161.20 care subcabinet and to provide staffing and

161.21 administrative support for the health care

161.22 subcabinet.

161.23 **(d) Base level adjustment.** The general fund

161.24 base is \$1,114,000 in fiscal year 2026 and

161.25 \$1,114,000 in fiscal year 2027.

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

161.27 Sec. 2. **APPROPRIATION; ATTORNEY GENERAL.**

161.28 \$1,231,000 in fiscal year 2027 is appropriated from the general fund to the attorney

161.29 general for the Medicaid Fraud Control Unit.

161.30 Sec. 3. **APPROPRIATION; DEPARTMENT OF ADMINISTRATION.**

161.31 (a) \$1,925,000 in fiscal year 2026 is appropriated from the general fund to the

161.32 commissioner of administration for grants to public television stations for operations. Of

162.1 this amount, \$350,000 is for a grant to Pioneer PBS; \$475,000 is for a grant to Lakeland
 162.2 PBS; \$650,000 is for a grant to KSMQ; \$250,000 is for a grant to PBS North; and \$200,000
 162.3 is for a grant to Prairie Public television.

162.4 (b) \$1,958,000 in fiscal year 2027 is appropriated from the general fund to the
 162.5 commissioner of administration for information technology costs and administration of the
 162.6 payroll reporting portal and database established under Minnesota Statutes, section 16C.37.
 162.7 The base for this appropriation is \$1,381,000 in fiscal year 2028 and each fiscal
 162.8 year thereafter.

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

162.10 **ARTICLE 14**

162.11 **BOARD OF BARBER EXAMINERS**

162.12 Section 1. Minnesota Statutes 2024, section 154.001, subdivision 2, is amended to read:

162.13 **Subd. 2. Board of Barber Examiners.** (a) A Board of Barber Examiners is established
 162.14 to consist of four barber members and one public member, as defined in section 214.02,
 162.15 appointed by the governor.

162.16 (b) The barber members shall be persons who have practiced as registered barbers in
 162.17 this state for at least five years immediately prior to their appointment; shall be graduates
 162.18 from the 12th grade of a high school or have equivalent education, and shall have knowledge
 162.19 of the matters to be taught in registered barber schools, as set forth in section 154.07. ~~One~~
 162.20 ~~of the barber members shall be a member of, or recommended by, a union of journeymen~~
 162.21 ~~barbers that has existed at least two years, and one barber member shall be a member of,~~
 162.22 ~~or recommended by, a professional organization of barbers.~~

162.23 Sec. 2. Minnesota Statutes 2024, section 154.003, is amended to read:

162.24 **154.003 FEES.**

162.25 (a) The fees collected, as required in this chapter, chapter 214, and the rules of the board,
 162.26 shall be paid to the board. The board shall deposit the fees in the general fund in the state
 162.27 treasury.

162.28 (b) The board shall charge the following fees:

162.29 (1) practical examination and certificate, registered barber, ~~\$85~~ \$80;

162.30 ~~(2) retake of written examination, \$10;~~

162.31 (2) initial barber registration, \$80;

- 163.1 (3) examination and certificate, instructor, \$180;
- 163.2 (4) certificate, instructor, \$65;
- 163.3 (5) temporary teacher permit, \$80;
- 163.4 (6) temporary registered barber, military, \$85;
- 163.5 (7) temporary barber instructor, military, \$180;
- 163.6 (8) renewal of registration, registered barber, \$80;
- 163.7 (9) renewal of registration, instructor, \$80;
- 163.8 (10) renewal of temporary teacher permit, \$65;
- 163.9 (11) student permit, \$45;
- 163.10 (12) renewal of student permit, \$25;
- 163.11 (13) initial shop registration, \$85;
- 163.12 (14) initial school registration, \$1,030;
- 163.13 (15) renewal shop registration, \$85;
- 163.14 (16) renewal school registration, \$280;
- 163.15 (17) restoration of registered barber registration, \$95;
- 163.16 (18) restoration of shop registration, \$105;
- 163.17 (19) change of ownership or location, \$55;
- 163.18 (20) duplicate registration, \$40;
- 163.19 (21) home study course, \$75;
- 163.20 (22) letter of registration verification, \$25; and
- 163.21 (23) reinspection, \$100.
- 163.22 (c) If the board uses a board-approved examination provider for any portion of the
- 163.23 comprehensive registered barber examination and the provider charges a fee, an examinee
- 163.24 must pay the fee directly to the provider. A fee charged by a provider under this paragraph
- 163.25 is separate from and not included in the fees that an examinee pays to the board.

164.1 Sec. 3. Minnesota Statutes 2024, section 154.01, is amended to read:

164.2 **154.01 REGISTRATION MANDATORY.**

164.3 (a) The registration of the practice of barbering serves the public health and safety of
164.4 the people of the state of Minnesota by ensuring that individuals seeking to practice the
164.5 profession of barbering are appropriately trained in the use of the chemicals, tools, and
164.6 implements of barbering and demonstrate the skills necessary to conduct barber services in
164.7 a safe, sanitary, and appropriate environment required for infection control.

164.8 (b) No person shall practice, offer to practice, or attempt to practice barbering without
164.9 a current certificate of registration as a registered barber, issued pursuant to provisions of
164.10 sections ~~154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24 to~~
164.11 ~~154.28~~ by the Board of Barber Examiners.

164.12 (c) A registered barber must only provide barbering services in a registered barber shop
164.13 or barber school, unless prior authorization is given by the board.

164.14 (d) No person shall operate a barber shop unless it is at all times under the direct
164.15 supervision and management of a registered barber and the owner or operator of the barber
164.16 shop possesses a current shop registration card, issued to the barber shop establishment
164.17 address, under sections ~~154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21,~~
164.18 ~~and 154.24 to 154.28~~ by the Board of Barber Examiners.

164.19 (e) No person shall serve, offer to serve, or attempt to serve as an instructor of barbering
164.20 without a current certificate of registration as a registered instructor of barbering or a
164.21 temporary permit as an instructor of barbering, as provided for the board by rule, issued
164.22 under sections ~~154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24~~
164.23 ~~to 154.28~~ by the Board of Barber Examiners. Barber instruction must be provided in
164.24 registered barber schools only.

164.25 (f) No person shall operate a barber school unless the owner or operator possesses a
164.26 current certificate of registration as a barber school, issued under sections ~~154.001, 154.002,~~
164.27 ~~154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24 to 154.28~~ by the Board of Barber
164.28 Examiners.

164.29 Sec. 4. Minnesota Statutes 2024, section 154.02, subdivision 1, is amended to read:

164.30 Subdivision 1. **What constitutes barbering.** Any one or any combination of the
164.31 following practices when done upon the head, face, and neck for cosmetic purposes and not
164.32 for the treatment of disease or physical or mental ailments and when done for payment
164.33 directly or indirectly or without payment for the public generally constitutes the practice of

165.1 barbering within the meaning of ~~sections 154.001, 154.002, 154.003, 154.01 to 154.162,~~
 165.2 ~~154.19 to 154.21, and 154.24 to 154.28~~ this chapter: to shave the face or neck using a straight
 165.3 razor or other tool, trim the beard, clean, condition, cut, color, shape, or straighten the hair
 165.4 of any person of either sex for compensation or other reward received by the person
 165.5 performing such service or any other person; to give facial and scalp massage with oils,
 165.6 creams, lotions, or other preparations either by hand or mechanical appliances; to singe,
 165.7 shampoo the hair, or apply hair tonics; or to apply cosmetic preparations, antiseptics,
 165.8 powders, oils, clays, or lotions to hair, scalp, face, or neck. The removal of hair through the
 165.9 process of waxing is not barbering.

165.10 Sec. 5. Minnesota Statutes 2024, section 154.02, subdivision 4, is amended to read:

165.11 Subd. 4. **Certificate of registration.** A "certificate of registration" means the certificate
 165.12 issued to an individual, a barber shop, or a barber school that is in compliance with ~~the~~
 165.13 ~~requirements of sections 154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21,~~
 165.14 ~~and 154.24 to 154.28~~ this chapter.

165.15 Sec. 6. Minnesota Statutes 2024, section 154.02, is amended by adding a subdivision to
 165.16 read:

165.17 Subd. 7. **Straight razor.** A straight razor is a razor with a rigid steel cutting blade or a
 165.18 replaceable blade that is hinged to a case that forms a handle when the razor is open for use.

165.19 Sec. 7. Minnesota Statutes 2024, section 154.02, is amended by adding a subdivision to
 165.20 read:

165.21 Subd. 8. **Waxing.** Waxing is the process of removing hair from a part of the body by
 165.22 applying wax and peeling off the wax.

165.23 Sec. 8. Minnesota Statutes 2024, section 154.05, is amended to read:

165.24 **154.05 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A**
 165.25 **REGISTERED BARBER.**

165.26 ~~(a)~~ A person is qualified to receive a certificate of registration as a registered barber if
 165.27 the person:

165.28 (1) ~~has successfully completed ten grades of education~~ is at least 17 years of age;

165.29 (2) has successfully completed 1,500 hours of study of which 281 hours are classroom
 165.30 hours and 1,219 hours are practical hours in a board-approved barber school; and

166.1 (3) has passed an a comprehensive examination conducted by the board in accordance
 166.2 with section 154.09 to determine the person's fitness to practice barbering.

166.3 ~~(b) A first-time applicant for a certificate of registration to practice as a registered barber~~
 166.4 ~~who fails to pass the comprehensive examination conducted by the board and who fails to~~
 166.5 ~~pass a onetime retake of the written examination, shall complete an additional 500 hours~~
 166.6 ~~of barber education before being eligible to retake the comprehensive examination as many~~
 166.7 ~~times as necessary to pass.~~

166.8 Sec. 9. Minnesota Statutes 2024, section 154.07, subdivision 1, is amended to read:

166.9 Subdivision 1. **Admission requirements; course of instruction.** No barber school shall
 166.10 be approved by the board unless it the barber school requires, ~~as a prerequisite to admission,~~
 166.11 ~~ten grades of an approved school or its equivalent, as determined by educational transcript,~~
 166.12 ~~high school diploma, high school equivalency certificate, or an examination conducted by~~
 166.13 ~~the commissioner of education, which shall issue a certificate that the student has passed~~
 166.14 ~~the required examination, and unless it requires,~~ as a prerequisite to graduation, a course of
 166.15 instruction of at least 1,500 hours of not more than ten hours of schooling in any one working
 166.16 day. The course of instruction must include the following subjects: scientific fundamentals
 166.17 for barbering; hygiene; practical study of the hair, skin, muscles, and nerves; structure of
 166.18 the head, face, and neck; elementary chemistry relating to sanitation; disinfection; sterilization
 166.19 and antiseptics; diseases of the skin, hair, and glands; massaging and manipulating the
 166.20 muscles of the face and neck; haircutting; shaving; trimming the beard; bleaching, tinting
 166.21 and dyeing the hair; and the chemical waving and straightening of hair.

166.22 Sec. 10. Minnesota Statutes 2024, section 154.07, is amended by adding a subdivision to
 166.23 read:

166.24 Subd. 7. **Application review process.** (a) Upon receipt of an application to establish a
 166.25 barber school, the board must consider the application during a meeting that is open to the
 166.26 public. At the meeting, the applicant must demonstrate that:

166.27 (1) the contents of the application are true, as required by chapter 154 and the rules of
 166.28 the board; and

166.29 (2) the applicant has sufficient financial resources to fund the barber school.

166.30 (b) The board may deny an application if the board determines that the applicant's
 166.31 financial resources would be insufficient to:

166.32 (1) maintain and operate a barber school; and

167.1 (2) ensure that the barber school would be open long enough for all registered students
 167.2 to graduate from the barber school.

167.3 Sec. 11. Minnesota Statutes 2024, section 154.08, is amended to read:

167.4 **154.08 APPLICATION; FEE.**

167.5 Each applicant for an examination shall:

167.6 (1) make an application to the Board of Barber Examiners or a board-approved
 167.7 examination provider on blank forms prepared and furnished by it, ~~the application to the~~
 167.8 board or the board-approved provider. The application must contain proof under the
 167.9 applicant's oath of the particular qualifications and identity of the applicant;

167.10 (2) provide all documentation required in support of the application;

167.11 (3) pay to the board the required fee; ~~and~~

167.12 (4) upon acceptance of the notarized application, present a corresponding
 167.13 government-issued photo identification when the applicant appears for the examination;
 167.14 and

167.15 (5) file an application with the board no later than the twentieth day of the month
 167.16 preceding the month when the practical portion of the exam is administered.

167.17 Sec. 12. Minnesota Statutes 2024, section 154.09, is amended to read:

167.18 **154.09 EXAMINATIONS, CONDUCT AND SCOPE.**

167.19 Subdivision 1. Examination dates. The board or a board-approved examination provider
 167.20 shall conduct practical examinations of applicants for certificates of registration to practice
 167.21 as registered barbers not more than ~~six~~ eight times each year, at such time and place as the
 167.22 board may determine. ~~Additional~~ Written examinations may be scheduled by the board and
 167.23 conducted by board staff or a board-approved provider as designated by the board.

167.24 Subd. 2. Documentation required. The ~~proprietor~~ owner or operator of a barber school
 167.25 must file an affidavit with the board of hours completed by students applying to take the
 167.26 ~~registered barber~~ comprehensive examination. Students must complete the full 1,500-hour
 167.27 curriculum in a barber school approved by the board ~~within the past four years~~ to be eligible
 167.28 for the examination. ~~Barber students who have completed barber school more than four~~
 167.29 ~~years prior to application, that have not obtained a barber registration, license, or certificate~~
 167.30 ~~in any jurisdiction must complete an additional 500 hours of barber school education to be~~
 167.31 ~~eligible for the registered barber examination.~~

168.1 Subd. 3. Examinations for registration restoration. Registered barbers that fail An
168.2 individual who fails to renew their the individual's barber registration for four or more years
168.3 are is required to purchase and complete the "Home Study Course for Barbers" program
168.4 that was prepared and approved by the board before the individual is eligible to apply to
168.5 take the registered barber comprehensive examination to reinstate the individual's registration.

168.6 Subd. 4. Examinations for individuals seeking reciprocity. An individual who must
168.7 pass the comprehensive examination under section 154.11 must purchase and complete the
168.8 "Home Study Course for Barbers" program that was prepared and approved by the board
168.9 before the individual is eligible to take the comprehensive examination.

168.10 Subd. 5. Contents of examination. The comprehensive examination of applicants for
168.11 certificates of registration as barbers shall must include:

168.12 (1) a practical demonstration portion that consists of a haircut and three of the following
168.13 practical services that the board shall determine: a shave, a beard trim, a shampoo, a perm
168.14 wrap, a facial, or a color application; and

168.15 (2) a written test. The examination must cover portion that covers the subjects taught in
168.16 barber schools registered with the board, including as required by this chapter, applicable
168.17 state statute statutes, and rule rules.

168.18 Subd. 6. Examination grading. The comprehensive examination must be graded as
168.19 follows:

168.20 (1) the grading for the practical portion of the examination must be on a scale of one to
168.21 100, with 100 representing a perfect score. A score of 75 must be the minimum passing
168.22 grade for the haircut portion and 75 must be the minimum passing score for the average of
168.23 the remaining parts of the practical examination; and

168.24 (2) the minimum passing score for the written portion of the examination is 75 percent.

168.25 Subd. 7. Failure of examination. (a) An individual who does not pass one portion of
168.26 the comprehensive examination within a year of passing the other portion of the
168.27 comprehensive examination must retake the entire comprehensive examination.

168.28 (b) An individual who has failed a portion of the comprehensive examination may retake
168.29 that portion of the examination within a year of passing the other portion after meeting the
168.30 requirements of this chapter, paying any required fees, and making an application to the
168.31 board as required by section 154.08.

169.1 Sec. 13. Minnesota Statutes 2024, section 154.11, subdivision 1, is amended to read:

169.2 Subdivision 1. **Examination of nonresidents.** (a) A person who meets all of the
 169.3 requirements for barber registration in ~~sections 154.001, 154.002, 154.003, 154.01 to~~
 169.4 ~~154.162, 154.19 to 154.21, and 154.24 to 154.28~~ this chapter and either has a currently
 169.5 active license, certificate of registration, or equivalent as a practicing barber or instructor
 169.6 of barbering as verified from another state or, if presenting foreign country credentials as
 169.7 verified by a board-approved professional credential evaluation provider, which in the
 169.8 discretion of the board has substantially the same requirements for registering barbers and
 169.9 instructors of barbering as required by ~~sections 154.001, 154.002, 154.003, 154.01 to~~
 169.10 ~~154.162, 154.19 to 154.21, and 154.24 to 154.28~~ in this chapter shall, upon payment of the
 169.11 required fee, be issued a certificate of registration without examination.

169.12 (b) Individuals without a current documented license, certificate of registration, or
 169.13 equivalent, as verified in paragraph (a), must have a minimum of 1,500 hours of barber
 169.14 education as verified by the barber school attended in the other state or if presenting foreign
 169.15 country education as verified by a board-approved professional credential evaluation provider,
 169.16 completed within the previous four years, which, in the discretion of the board, has
 169.17 substantially the same requirements as required in ~~sections 154.001, 154.002, 154.003,~~
 169.18 ~~154.01 to 154.162, 154.19 to 154.21, and 154.24 to 154.28~~ this chapter will be eligible for
 169.19 examination.

169.20 (c) Individuals unable to meet the requirements in paragraph (a) or (b) shall be subject
 169.21 to all the requirements of section 154.05.

169.22 Sec. 14. Minnesota Statutes 2024, section 154.11, is amended by adding a subdivision to
 169.23 read:

169.24 **Subd. 4. Examination of cosmetologists.** (a) A person may be credited with up to 1,000
 169.25 hours of study toward the 1,500 hours of study required under section 154.05 if the person:

169.26 (1) has hours of study that the board determines are substantially similar to the
 169.27 requirements in section 154.07;

169.28 (2) has a currently active license verified by the issuing state or a certificate of registration
 169.29 verified by the issuing state, or equivalent, as a practicing cosmetologist; or

169.30 (3) has credentials as a practicing cosmetologist from a foreign country that are verified
 169.31 by a board-approved professional credential evaluation provider and the board has determined
 169.32 that the foreign country's curriculum requirements are substantially similar to the
 169.33 requirements in section 154.07.

170.1 (b) After a person with credited hours under paragraph (a) completes the remaining
 170.2 required hours in a board-approved barber school and meets the requirements of section
 170.3 154.05, clause (1), the person is eligible for the comprehensive examination.

170.4 Sec. 15. **REPEALER.**

170.5 Minnesota Rules, parts 2100.2500; 2100.2600; 2100.2900; 2100.3000; 2100.3200;
 170.6 2100.3300; 2100.4500; 2100.5200, subparts 1, 2, and 5; 2100.5300; and 2100.6000, are
 170.7 repealed.

170.8 ARTICLE 15

170.9 BOARD OF COSMETOLOGIST EXAMINERS

170.10 Section 1. Minnesota Statutes 2024, section 155A.20, is amended to read:

170.11 **155A.20 BOARD OF COSMETOLOGIST EXAMINERS CREATED; TERMS.**

170.12 (a) A Board of Cosmetologist Examiners is established to consist of seven members,
 170.13 appointed by the governor as follows:

170.14 (1) two cosmetologists, one of whom is recommended by a professional association of
 170.15 cosmetologists, nail technicians, and estheticians;

170.16 (2) two school instructors, one of whom is teaching at a public cosmetology school in
 170.17 the state and one of whom is teaching at a private cosmetology school in the state;

170.18 (3) one advanced practice esthetician;

170.19 (4) one nail technician; and

170.20 (5) one public member, as defined in section 214.02.

170.21 (b) All cosmetologist, advanced practice esthetician, and nail technician members must
 170.22 be currently licensed in the field of cosmetology, nail technology, or ~~esthetology~~, advanced
 170.23 practice esthiology in Minnesota; ~~have practiced in the licensed occupation for at least five~~
 170.24 ~~years immediately prior to their appointment, be graduates from grade 12 of high school or~~
 170.25 ~~have equivalent education;~~ and have knowledge of sections 155A.21 to 155A.36 and
 170.26 Minnesota Rules, chapters 2105 and 2110.

170.27 (c) Membership terms, compensation of members, removal of members, the filling of
 170.28 membership vacancies, and fiscal year and reporting requirements ~~shall~~ must be as provided
 170.29 in sections 214.07 to 214.09. The provision of staff, administrative services, and office
 170.30 space; the review and processing of complaints; the setting of board fees; and other provisions
 170.31 relating to board operations ~~shall~~ must be as provided in chapter 214.

171.1 (d) Members appointed to fill vacancies caused by death, resignation, or removal ~~shall~~
171.2 must serve during the unexpired term of their predecessors.

171.3 Sec. 2. Minnesota Statutes 2024, section 155A.23, subdivision 4, is amended to read:

171.4 Subd. 4. **Cosmetologist.** A "cosmetologist" is any person who, for compensation,
171.5 performs ~~the personal services, as defined in subdivision 3~~ for the cosmetic care of the hair,
171.6 nails, and stratum corneum of the epidermal layer of the skin surface.

171.7 Sec. 3. Minnesota Statutes 2024, section 155A.23, subdivision 5, is amended to read:

171.8 Subd. 5. **Esthetician.** An "esthetician" is any person who, for compensation, performs
171.9 personal services for the cosmetic care of the stratum corneum of the epidermal layer of the
171.10 skin surface only.

171.11 Sec. 4. Minnesota Statutes 2024, section 155A.23, subdivision 8, is amended to read:

171.12 Subd. 8. **Manager.** A "manager" is any person who is a cosmetologist, esthetician,
171.13 advanced practice esthetician, hair technician, nail technician ~~practitioner,~~ or eyelash
171.14 technician, and who has a manager license and provides any services under that license, as
171.15 defined in subdivision 3.

171.16 Sec. 5. Minnesota Statutes 2024, section 155A.23, subdivision 9, is amended to read:

171.17 Subd. 9. **Salon.** A "salon" is an indoor area, room, or rooms employed to offer personal
171.18 services, as defined in subdivision 3. ~~"Salon"~~ Salon does not include the home of a customer
171.19 but the board may adopt health and infection control rules governing practice in the homes
171.20 of customers.

171.21 Sec. 6. Minnesota Statutes 2024, section 155A.23, subdivision 10, is amended to read:

171.22 Subd. 10. **School.** A "school" is a place where ~~any person operates and maintains a class~~
171.23 ~~to teach~~ cosmetology instruction or training is offered to the public for compensation.
171.24 ~~"School"~~ School does not include a place where ~~the only teaching of cosmetology is done~~
171.25 ~~by a licensed cosmetologist as part of a community education program of less than ten hours~~
171.26 ~~duration, provided that the program does not permit practice on persons other than students~~
171.27 ~~in the program, and provided that the program is intended solely for the self-improvement~~
171.28 ~~of the students~~ that only offers continuing education according to this chapter, additional
171.29 instruction or training to licensees on services within the licensee's scope of practice, or

172.1 community education programs for personal enrichment and not as preparation for
172.2 professional practice.

172.3 Sec. 7. Minnesota Statutes 2024, section 155A.23, is amended by adding a subdivision to
172.4 read:

172.5 Subd. 10a. **School administrator.** "School administrator" means the proprietor, if the
172.6 applicant is a proprietorship; the managing partner, if the applicant is a partnership; the
172.7 authorized officers, if the applicant is a corporation, association, company, firm, society,
172.8 or trust; or the dean, principal, or other authorized signatory, if the applicant is a school in
172.9 the Minnesota State Colleges and Universities system or a secondary school.

172.10 Sec. 8. Minnesota Statutes 2024, section 155A.23, subdivision 18, is amended to read:

172.11 Subd. 18. **Practitioner.** A "practitioner" is any person licensed as an operator or manager
172.12 in the practice of cosmetology, esthiology, advanced practice esthiology, hair technology
172.13 services, nail technology services, or eyelash technology services.

172.14 Sec. 9. Minnesota Statutes 2024, section 155A.25, subdivision 1a, is amended to read:

172.15 Subd. 1a. **Schedule.** (a) The schedule for fees and penalties is as provided in this
172.16 subdivision.

172.17 (b) Three-year license fees are as follows:

172.18 (1) \$195 initial practitioner, manager, or instructor license, divided as follows:

172.19 (i) \$155 for each initial license; and

172.20 (ii) \$40 for each initial license application fee;

172.21 (2) \$115 renewal of practitioner license, divided as follows:

172.22 (i) \$100 for each renewal license; and

172.23 (ii) \$15 for each renewal application fee;

172.24 (3) \$145 renewal of manager or instructor license, divided as follows:

172.25 (i) \$130 for each renewal license; and

172.26 (ii) \$15 for each renewal application fee;

172.27 (4) \$350 initial salon license, divided as follows:

172.28 (i) \$250 for each initial license; and

- 173.1 (ii) \$100 for each initial license application fee;
- 173.2 (5) \$225 renewal of salon license, divided as follows:
- 173.3 (i) \$175 for each renewal; and
- 173.4 (ii) \$50 for each renewal application fee;
- 173.5 (6) \$4,000 initial school license, divided as follows:
- 173.6 (i) \$3,000 for each initial license; and
- 173.7 (ii) \$1,000 for each initial license application fee; and
- 173.8 (7) \$2,500 renewal of school license, divided as follows:
- 173.9 (i) \$2,000 for each renewal; and
- 173.10 (ii) \$500 for each renewal application fee.
- 173.11 (c) Penalties may be assessed in amounts up to the following:
- 173.12 (1) reinspection fee, \$150;
- 173.13 (2) manager and owner with expired practitioner or instructor found on inspection, \$150
- 173.14 each;
- 173.15 (3) expired practitioner or instructor found on inspection, \$200;
- 173.16 (4) expired salon found on inspection, \$500;
- 173.17 (5) expired school found on inspection, \$1,000;
- 173.18 (6) failure to display current license, \$100;
- 173.19 (7) failure to dispose of single-use equipment, implements, or materials as provided
- 173.20 under section 155A.355, subdivision 1, \$500;
- 173.21 (8) use of prohibited razor-type callus shavers, rasps, or graters under section 155A.355,
- 173.22 subdivision 2, \$500;
- 173.23 ~~(9) performing nail or cosmetology services in esthetician salon, or performing esthetician~~
- 173.24 ~~or cosmetology services in a nail salon, \$500;~~
- 173.25 ~~(10) owner and manager allowing an operator to work as an independent contractor,~~
- 173.26 ~~\$200;~~
- 173.27 ~~(11) operator working as an independent contractor, \$100;~~
- 173.28 ~~(12)~~ (9) refusal or failure to cooperate with an inspection, \$500;

- 174.1 ~~(13)~~ (10) practitioner late renewal fee, \$45; and
- 174.2 ~~(14)~~ (11) salon or school late renewal fee, \$50.
- 174.3 (d) Administrative fees are as follows:
- 174.4 (1) homebound service permit, \$50 three-year fee;
- 174.5 (2) name change, \$20;
- 174.6 (3) certification of licensure, \$30 each;
- 174.7 (4) duplicate license, \$20;
- 174.8 ~~(5) special event permit, \$75 per year;~~
- 174.9 ~~(6) \$100~~ (5) no fee for each a temporary military license for a cosmetologist, nail
- 174.10 technician, esthetician, ~~or~~ advanced practice esthetician ~~one-year fee~~, or eyelash technician;
- 174.11 ~~(7)~~ (6) expedited initial individual license, \$150;
- 174.12 ~~(8)~~ (7) expedited initial salon license, \$300;
- 174.13 ~~(9)~~ (8) instructor continuing education provider approval, \$150 each year; and
- 174.14 ~~(10)~~ (9) practitioner continuing education provider approval, \$150 each year.

174.15 Sec. 10. Minnesota Statutes 2024, section 155A.25, subdivision 3, is amended to read:

174.16 Subd. 3. **Other licenses.** A licensee who applies for licensing in a second category ~~shall~~

174.17 must pay the full license fee and application fee for the second category of license. If

174.18 maintaining more than one license, a licensee must pay the renewal and application fee for

174.19 each license except as provided in section 155A.27, subdivision 6b.

174.20 Sec. 11. Minnesota Statutes 2024, section 155A.25, subdivision 5, is amended to read:

174.21 Subd. 5. **Board must approve or deny application; timeline.** Within 15 working days

174.22 of receiving a complete application and the required fees, if any, to apply for or renew an

174.23 individual or salon license that is not an expedited license or a military license, the board

174.24 must (1) issue the license, (2) deny the license and notify the applicant of the denial, or (3)

174.25 if the conditions in subdivision 6 are met, notify the applicant that the board must conduct

174.26 additional review.

174.27 Sec. 12. Minnesota Statutes 2024, section 155A.25, subdivision 7, is amended to read:

174.28 Subd. 7. **Temporary military license or expedited license.** Within five business days

174.29 of receiving a completed application and the required fees, if any, for an individual or salon

175.1 license that meets requirements for an expedited license or a temporary military license,
 175.2 the board must: (1) issue the license; (2) deny the license and notify the applicant of the
 175.3 denial; or (3) notify the applicant that the board must conduct additional review if the
 175.4 application meets the conditions in subdivision 8.

175.5 Sec. 13. Minnesota Statutes 2024, section 155A.27, subdivision 5a, is amended to read:

175.6 Subd. 5a. **Temporary military license.** The board ~~shall~~ must establish temporary licenses
 175.7 for a cosmetologist, a hair technician, a nail technician, an eyelash technician, an esthetician,
 175.8 and an advanced practice esthetician in accordance with section 197.4552, subdivision 2.
 175.9 A temporary license issued under section 197.4552, subdivision 2, is valid for a three-year
 175.10 licensing period. The board must only issue one temporary license per applicant.

175.11 Sec. 14. Minnesota Statutes 2024, section 155A.27, is amended by adding a subdivision
 175.12 to read:

175.13 Subd. 6a. **Instructor license renewal.** (a) When issuing an instructor license to an
 175.14 individual who holds an operator or a salon manager license in the same classification, the
 175.15 board must extend the expiration date of the operator or salon manager license so that both
 175.16 licenses in the same classification expire on the same date.

175.17 (b) When an individual simultaneously renews an instructor license and an operator or
 175.18 a salon manager license in the same classification, the board must charge the individual
 175.19 only the instructor renewal license and renewal application fee according to section 155A.25,
 175.20 subdivision 1a, paragraph (b), clause (3), and must not charge a fee for renewing the operator
 175.21 or salon manager license.

175.22 **EFFECTIVE DATE.** This section is effective January 1, 2028.

175.23 Sec. 15. Minnesota Statutes 2024, section 155A.27, subdivision 10, is amended to read:

175.24 Subd. 10. **Nonresident licenses.** (a) A nonresident cosmetologist, a hair technician, an
 175.25 advanced practice esthetician, a nail technician, an esthetician, or an eyelash technician may
 175.26 be licensed in Minnesota if the individual has completed cosmetology school in a state or
 175.27 country with the same or greater school hour requirements, has an active license in that state
 175.28 or country, ~~and~~ has passed a board-approved theory and practice-based examination, and
 175.29 has passed the Minnesota-specific written operator examination ~~for cosmetologist, hair~~
 175.30 ~~technician, nail technician, esthetician.~~ If a test is used to verify the qualifications of ~~trained~~
 175.31 ~~cosmetologists,~~ the test ~~should~~ must be translated into the nonresident's native language

176.1 within the limits of available resources. Licenses ~~shall~~ must not be issued under this
 176.2 subdivision for managers or instructors.

176.3 (b) If an individual has less than the required number of school hours, the individual
 176.4 must have had a current active license in another state or country for at least three years and
 176.5 have passed a board-approved theory and practice-based examination; and the
 176.6 Minnesota-specific written operator examination ~~for cosmetologist, hair technician, nail~~
 176.7 ~~technician, esthetician~~. If a test is used to verify the qualifications of ~~trained cosmetologists,~~
 176.8 the test ~~should~~ must be translated into the nonresident's native language within the limits
 176.9 of available resources. Licenses must not be issued under this subdivision for managers or
 176.10 instructors.

176.11 (c) Applicants claiming training and experience in a foreign country ~~shall~~ must supply
 176.12 official English-language translations of all required documents from a board-approved
 176.13 source.

176.14 Sec. 16. Minnesota Statutes 2024, section 155A.27, is amended by adding a subdivision
 176.15 to read:

176.16 Subd. 11. **Reciprocity for barbers.** A person who is a registered barber under chapter
 176.17 154 may be granted credit up to 500 hours, as determined by a Minnesota-licensed
 176.18 cosmetology school, toward the required hours of study for a license in cosmetology or hair
 176.19 technology if the person:

176.20 (1) provides the cosmetology school with a verification of registration issued from the
 176.21 Minnesota Board of Barber Examiners verifying that the person has an active Minnesota
 176.22 barber registration; and

176.23 (2) holds an active Minnesota barber registration at the time that the person applies for
 176.24 a license in cosmetology or hair technology.

176.25 **EFFECTIVE DATE.** This section is effective on January 1, 2027.

176.26 Sec. 17. Minnesota Statutes 2024, section 155A.271, subdivision 2, is amended to read:

176.27 Subd. 2. **Continuing education providers.** (a) Only a board-licensed school of
 176.28 cosmetology, a postsecondary institution as ~~defined~~ described in section 136A.103,
 176.29 subdivision 1, paragraph (a), or a board-recognized professional association organized under
 176.30 chapter 317A may be approved by the board to offer continuing education for credit under
 176.31 subdivision 1, paragraph (a). Continuing education under subdivision 1, paragraph (b), may
 176.32 be offered by a:

177.1 (1) board-licensed school of cosmetology;

177.2 (2) board-recognized professional association organized under chapter 317A; or

177.3 (3) board-licensed salon.

177.4 An approved school or professional association may offer web-based continuing education
177.5 instruction to achieve maximum involvement of licensees. Continuing education providers
177.6 are encouraged to offer classes available in foreign language formats.

177.7 (b) Board approval of any continuing education provider is valid for one calendar year
177.8 and is contingent upon submission and preapproval of the lesson plan or plans with learning
177.9 objectives for the class to be offered and the payment of the application fee in section
177.10 155A.25, subdivision 1a, paragraph (d), clause ~~(10)~~ (9). The board ~~shall~~ must maintain a
177.11 list of approved providers and courses on the board's website. The board may revoke
177.12 authorization of a continuing education provider at any time for just cause and the board
177.13 may demand return of documents required under subdivision 3.

177.14 Sec. 18. Minnesota Statutes 2024, section 155A.29, subdivision 2, is amended to read:

177.15 Subd. 2. **Requirements.** The conditions and process by which a salon is licensed ~~shall~~
177.16 must be established by the board by rule. In addition to those requirements, ~~no~~ a license
177.17 ~~shall~~ must not be issued unless the board first determines that the conditions in clauses (1)
177.18 to (4) have been satisfied:

177.19 (1) compliance with all local and state laws, particularly relating to matters of infection
177.20 control, health, and safety;

177.21 (2) the ~~employment~~ appointment of a manager, as defined in section 155A.23, subdivision
177.22 8;

177.23 (3) if applicable, evidence of compliance with workers' compensation section 176.182;
177.24 and

177.25 (4) evidence of continued professional liability insurance coverage of at least \$25,000
177.26 for each claim and \$50,000 total coverage for each policy year for each ~~operator~~ practitioner.

177.27 Sec. 19. Minnesota Statutes 2024, section 155A.30, subdivision 3, is amended to read:

177.28 Subd. 3. **Applications.** Application for a license ~~shall~~ must be prepared on forms
177.29 furnished by the board and ~~shall~~ must contain the following and such other information as
177.30 may be required:

178.1 (1) the name of the school, together with ownership and controlling officers, members,
178.2 and managing employees;

178.3 (2) the specific fields of instruction which will be offered and reconciliation of the course
178.4 content and length to meet the minimum standards, as prescribed in subdivision 2;

178.5 (3) the place or places where instruction will be given;

178.6 (4) a listing of the equipment available for instruction in each course offered;

178.7 (5) the maximum enrollment to be accommodated;

178.8 (6) a listing of instructors, all of whom ~~shall~~ must be licensed as provided in section
178.9 155A.27, subdivision 2, except that any school may use occasional instructors or lecturers
178.10 who would add to the general or specialized knowledge of the students but who need not
178.11 be licensed;

178.12 (7) a current balance sheet, income statement or documentation to show sufficient
178.13 financial worth and responsibility to properly conduct a school and to assure financial
178.14 resources ample to meet the school's financial obligations;

178.15 (8) other financial guarantees ~~which~~ that would assure protection of the public as
178.16 determined by rule; and

178.17 (9) a copy of all written ~~material which~~ materials that the school uses to ~~solicit prospective~~
178.18 ~~students, including but not limited to a tuition and fee schedule, and all catalogues, brochures~~
178.19 ~~and other recruitment advertisements. Each school shall annually, on a date determined by~~
178.20 ~~the board, file with the board any new or amended materials which it has distributed during~~
178.21 ~~the past year~~ for prospective student enrollment, including the enrollment contract, the
178.22 student handbook, and tuition and fee information.

178.23 Sec. 20. Minnesota Statutes 2024, section 155A.30, subdivision 4, is amended to read:

178.24 Subd. 4. **Verification of application.** Each application ~~shall~~ must be signed and certified
178.25 to under oath by ~~the proprietor if the applicant is a proprietorship, by the managing partner~~
178.26 ~~if the applicant is a partnership, or by the authorized officers of the applicant if the applicant~~
178.27 ~~is a corporation, association, company, firm, society or trust~~ a school administrator as defined
178.28 in section 155A.23, subdivision 10a.

178.29 Sec. 21. Minnesota Statutes 2024, section 155A.30, subdivision 5, is amended to read:

178.30 Subd. 5. **Conditions precedent to issuance.** A license must not be issued unless the
178.31 board first determines that the applicant has met the requirements in clauses (1) to (9):

179.1 (1) the applicant must have a sound financial condition with sufficient resources available
179.2 to meet the school's financial obligations; to refund all tuition and other charges, within a
179.3 reasonable period of time, in the event of dissolution of the school or in the event of any
179.4 justifiable claims for refund against the school; to provide adequate service to its students
179.5 and prospective students; and to maintain proper use and support of the school;

179.6 (2) the applicant must have satisfactory training facilities with sufficient tools and
179.7 equipment and the necessary number of work stations to adequately train the students
179.8 currently enrolled, and those proposed to be enrolled;

179.9 (3) the applicant must employ a sufficient number of qualified instructors trained by
179.10 experience and education to give the training contemplated;

179.11 (4) the premises and conditions under which the students work and study must be sanitary,
179.12 healthful, and safe according to modern standards;

179.13 (5) each occupational course or program of instruction or study must be of such quality
179.14 and content as to provide education and training that will adequately prepare enrolled
179.15 students for testing, licensing, and entry level positions;

179.16 (6) the school must have coverage by professional liability insurance of at least \$25,000
179.17 per incident and an accumulation of \$150,000 for each premium year;

179.18 (7) the applicant ~~shall~~ must provide evidence of the school's compliance with section
179.19 176.182;

179.20 (8) the applicant, except the state and its political subdivisions as described in section
179.21 13.02, subdivision 11, must file with the board a continuous corporate surety bond in the
179.22 amount of no less than ten percent of the preceding year's gross income from student tuition,
179.23 fees, and other required institutional charges, but in no event less than \$10,000, conditioned
179.24 upon the faithful performance of all contracts and agreements with students made by the
179.25 applicant. New schools must base the bond amount on the anticipated gross income from
179.26 student tuition, fees, and other required institutional charges for the third year of operation,
179.27 but in no event less than \$10,000. The applicant must compute the amount of the surety
179.28 bond and verify that the amount of the surety bond complies with this subdivision. The
179.29 bond ~~shall~~ must run to the board and to any person who may have a cause of action against
179.30 the applicant arising at any time after the bond is filed and before it is canceled for breach
179.31 of any contract or agreement made by the applicant with any student. The surety of the bond
179.32 may cancel it upon giving 60 days' notice in writing to the board and ~~shall~~ must be relieved
179.33 of liability for any breach of condition occurring after the effective date of cancellation;
179.34 and

180.1 (9) the applicant must appoint a designated school manager.

180.2 Sec. 22. Minnesota Statutes 2024, section 155A.30, subdivision 6, is amended to read:

180.3 Subd. 6. **Fees; renewals.** (a) Applications for initial license under sections 155A.21 to
180.4 155A.36 ~~shall~~ must be accompanied by a nonrefundable application fee set forth in section
180.5 155A.25.

180.6 (b) License duration ~~shall~~ must be three years. Each renewal application ~~shall~~ must be
180.7 accompanied by a nonrefundable renewal fee set forth in section 155A.25.

180.8 (c) Application for renewal of license ~~shall~~ must be made as provided in rules adopted
180.9 by the board and on forms supplied by the board.

180.10 Sec. 23. Minnesota Statutes 2024, section 155A.30, subdivision 7, is amended to read:

180.11 Subd. 7. **Inspections.** All schools may be inspected as often as the board considers
180.12 necessary to affirm compliance. The board ~~shall have~~ has the authority to assess the cost of
180.13 the inspection to the school.

180.14 Sec. 24. Minnesota Statutes 2024, section 155A.30, subdivision 8, is amended to read:

180.15 Subd. 8. **List of licensed schools; availability.** The board ~~shall~~ must maintain and make
180.16 available to the public a list of licensed schools.

180.17 Sec. 25. Minnesota Statutes 2024, section 155A.30, subdivision 9, is amended to read:

180.18 Subd. 9. ~~**Separation of School and professional departments**~~ **salon separation.** A
180.19 school ~~shall~~ must display in the entrance reception room of ~~its~~ the school's student section
180.20 a sign prominently and conspicuously indicating that all work therein is ~~done~~ performed
180.21 exclusively by students. ~~Professional departments of a school shall be run~~ Any salon or
180.22 business on the same premises as a school must be operated as an entirely separate and
180.23 distinct ~~businesses~~ business and ~~shall~~ must have a separate ~~entrances.~~ entrance from the
180.24 school. If a salon or business is located on the same premises as a school: (1) staff of the
180.25 salon or business must not provide services or training in the space used by the school; and
180.26 (2) staff and students of the school must not provide services or training in the space used
180.27 by the salon or business.

180.28 Nothing contained in sections 155A.21 to 155A.36 ~~shall prevent~~ prevents a school from
180.29 charging for student work done in the school to cover the cost of materials used and expenses
180.30 incurred in and for the operation of the school. All of the student work ~~shall~~ must be

181.1 prominently and conspicuously advertised and held forth as being student work and not
181.2 otherwise.

181.3 Sec. 26. Minnesota Statutes 2024, section 155A.30, subdivision 11, is amended to read:

181.4 Subd. 11. **Instruction requirements.** (a) Instruction may be offered for no more than
181.5 ten hours per day per student.

181.6 (b) Instruction must be given within a licensed school building except as provided in
181.7 paragraphs (c) and (d). ~~Online instruction is permitted for board-approved theory-based~~
181.8 ~~classes.~~

181.9 (c) A school may offer online instruction for theory-based portions of training. A school
181.10 must not give practice-based classes must not be given training online.

181.11 (d) A school may offer activities related to the training for industry educational purposes
181.12 outside of a school building when accompanied by an instructor for a maximum of one
181.13 percent of the total training hours for a course.

181.14 Sec. 27. Minnesota Statutes 2024, section 155A.30, subdivision 12, is amended to read:

181.15 Subd. 12. **Minnesota state authorization.** A cosmetology school licensed or applying
181.16 for licensure under this section ~~shall~~ must maintain recognition as an institution of
181.17 postsecondary study by meeting the following conditions, in addition to Minnesota Rules,
181.18 part 2110.0310:

181.19 (1) the school must admit as regular students only those individuals who have a high
181.20 school diploma or a diploma based on passing commissioner of education-selected high
181.21 school equivalency tests or their equivalent, or who are beyond the age of compulsory
181.22 education as prescribed by section 120A.22; and

181.23 (2) the school must be licensed by name and authorized by the Office of Higher Education
181.24 and the board to offer one or more training programs beyond the secondary level.

181.25 Sec. 28. Minnesota Statutes 2024, section 155A.31, is amended to read:

181.26 **155A.31 INSPECTIONS.**

181.27 The board is responsible for inspecting salons and schools licensed pursuant to sections
181.28 155A.21 to 155A.36 to assure compliance with the requirements of sections 155A.21 to
181.29 155A.36. The board ~~shall~~ must direct board resources first to the inspection of those licensees
181.30 who fail to meet the requirements of law, have indicated that they present a greater risk to

182.1 the public, or have otherwise, in the opinion of the board, demonstrated that they require a
182.2 greater degree of regulatory attention.

182.3 Sec. 29. Minnesota Statutes 2024, section 155A.32, is amended to read:

182.4 **155A.32 DISPLAY OF LICENSE.**

182.5 Every holder of a license granted by the board ~~shall~~ must display ~~it~~ the license in a
182.6 conspicuous place in the place of business.

182.7 Sec. 30. Minnesota Statutes 2024, section 155A.33, subdivision 1, is amended to read:

182.8 Subdivision 1. **Proceedings.** If the board, or a complaint committee if authorized by the
182.9 board, has a reasonable basis for believing that a person has engaged in or is about to engage
182.10 in a violation of a statute, rule, or order that the board has adopted or issued or is empowered
182.11 to enforce, the board or complaint committee may proceed as provided in subdivision 2 or
182.12 3. Except as otherwise provided in this section, all hearings must be conducted in accordance
182.13 with ~~the Administrative Procedure Act~~ chapter 14.

182.14 Sec. 31. Minnesota Statutes 2024, section 155A.33, subdivision 2, is amended to read:

182.15 Subd. 2. **Legal actions.** (a) When necessary to prevent an imminent violation of a statute,
182.16 rule, or order that the board has adopted or issued or is empowered to enforce, the board,
182.17 or a complaint committee if authorized by the board, may bring an action in the name of
182.18 the state in the District Court of Ramsey County in which jurisdiction is proper to enjoin
182.19 the act or practice and to enforce compliance with the statute, rule, or order. On a showing
182.20 that a person has engaged in or is about to engage in an act or practice that constitutes a
182.21 violation of a statute, rule, or order that the board has adopted or issued or is empowered
182.22 to enforce, the court ~~shall~~ must grant a permanent or temporary injunction, restraining order,
182.23 or other appropriate relief.

182.24 (b) For purposes of injunctive relief under this subdivision, irreparable harm exists when
182.25 the board shows that a person has engaged in or is about to engage in an act or practice that
182.26 constitutes violation of a statute, rule, or order that the board has adopted or issued or is
182.27 empowered to enforce.

182.28 (c) Injunctive relief granted under paragraph (a) does not relieve an enjoined person
182.29 from criminal prosecution by a competent authority, or from action by the board under
182.30 subdivision 3, 4, 5, or 6 with respect to the person's license or registration, or application
182.31 for examination, license, registration, or renewal.

183.1 Sec. 32. Minnesota Statutes 2024, section 155A.33, subdivision 3, is amended to read:

183.2 Subd. 3. **Cease and desist orders.** (a) The board, or complaint committee if authorized
183.3 by the board, may issue and have served upon an unlicensed or unregistered person, or a
183.4 holder of a license or registration, an order requiring the person to cease and desist from an
183.5 act or practice that constitutes a violation of a statute, rule, or order that the board has adopted
183.6 or issued or is empowered to enforce. The order must (1) give reasonable notice of the rights
183.7 of the person named in the order to request a hearing, and (2) state the reasons for the entry
183.8 of the order. No order may be issued under this subdivision until an investigation of the
183.9 facts has been conducted under section 214.10.

183.10 (b) Service of the order under this subdivision is effective when the order is personally
183.11 served on the person or counsel of record, or served by certified mail to the most recent
183.12 address provided to the board for the person or counsel of record.

183.13 (c) The board must hold a hearing under this subdivision not later than 30 days after the
183.14 board receives the request for the hearing, unless otherwise agreed between the board, or
183.15 complaint committee if authorized by the board, and the person requesting the hearing.

183.16 (d) Notwithstanding any rule to the contrary, the administrative law judge must issue a
183.17 report within 30 days of the close of the contested case hearing. Within 30 days after
183.18 receiving the report and subsequent exceptions and argument, the board ~~shall~~ must issue a
183.19 further order vacating, modifying, or making permanent the cease and desist order. If no
183.20 hearing is requested within 30 days of service of the order, the order becomes final and
183.21 remains in effect until modified or vacated by the board.

183.22 Sec. 33. Minnesota Statutes 2024, section 155A.33, subdivision 4, is amended to read:

183.23 Subd. 4. **Licensing and registration actions.** (a) With respect to a person who is a
183.24 holder of or applicant for a license or registration under this chapter, the board may by order
183.25 deny, refuse to renew, suspend, temporarily suspend, or revoke the application, license, or
183.26 registration, censure or reprimand the person, refuse to permit the person to sit for
183.27 examination, or refuse to release the person's examination grades, if the board finds that
183.28 such an order is in the public interest and that, based on a preponderance of the evidence
183.29 presented, the person has:

183.30 (1) violated a statute, rule, or order that the board has adopted or issued or is empowered
183.31 to enforce;

183.32 (2) engaged in conduct or acts that are fraudulent, deceptive, or dishonest, related to the
183.33 practice of a profession regulated by this chapter, if the fraudulent, deceptive, or dishonest

184.1 conduct or acts reflect adversely on the person's ability or fitness to engage in the practice
184.2 of the profession;

184.3 (3) engaged in conduct or acts that constitute malpractice, are negligent, demonstrate
184.4 incompetence, or are otherwise in violation of the standards in the rules of the board, where
184.5 the conduct or acts relate to the practice of a profession regulated by this chapter;

184.6 (4) employed fraud or deception in obtaining a license, registration, renewal, or
184.7 reinstatement, or in passing all or a portion of the examination;

184.8 (5) had a license, registration, right to examine, or other similar authority revoked in
184.9 another jurisdiction;

184.10 (6) failed to meet any requirement for issuance or renewal of the person's license or
184.11 registration;

184.12 (7) advertised by means of false or deceptive statements;

184.13 (8) performed licensed services while consuming or under the influence of an intoxicant
184.14 or controlled substance;

184.15 (9) demonstrated unprofessional conduct or practice;

184.16 (10) permitted an unlicensed person under the person's supervision or control to offer
184.17 or practice services regulated by this chapter for compensation;

184.18 (11) practices, offered to practice, or attempted to practice by misrepresentation;

184.19 (12) failed to display a license or permit as required by rules adopted by the board;

184.20 (13) violated the board's rules governing infection control;

184.21 (14) refused to permit the board to make an inspection permitted or required by this
184.22 chapter, or failed to provide the board or the attorney general on behalf of the board with
184.23 any documents or records they request; or

184.24 (15) with respect to temporary suspension orders, has committed an act, engaged in
184.25 conduct, or committed practices that the board, or complaint committee if authorized by
184.26 the board, has determined may result or may have resulted in an immediate threat to the
184.27 public.

184.28 (b) In lieu of or in addition to any remedy under paragraph (a), the board may, as a
184.29 condition of continued licensure or registration, termination of suspension, reinstatement
184.30 of licensure or registration, examination, or release of examination results, require that the
184.31 person:

185.1 (1) submit to a quality review of the person's ability, skills, or quality of work, conducted
185.2 in a manner and by a person or entity that the board determines; or

185.3 (2) completes to the board's satisfaction continuing education as the board requires.

185.4 ~~(e) Service of an order under this subdivision is effective if the order is served in person,~~
185.5 ~~or is served by certified mail to the most recent address provided to the board by the licensee,~~
185.6 ~~registrant, applicant, or counsel of record. The order must state the reason for the entry of~~
185.7 ~~the order.~~

185.8 (c) The board or complaint committee, if authorized by the board, may issue an order
185.9 under this subdivision. The order may include conditions under paragraph (b) and civil
185.10 penalties and fees permitted under subdivision 6. The order may require a person to cease
185.11 and desist from acting in violation of paragraph (a). The order must include:

185.12 (1) a summary of the facts that constitute each violation;

185.13 (2) the applicable law that has been violated;

185.14 (3) the licensing or registration action taken under paragraph (a); and

185.15 (4) a notice to the individual that unless the individual requests a hearing within 30 days
185.16 of service of the order, the order becomes a final order of the board.

185.17 (d) If an order under this subdivision assesses civil penalties, the order must include a
185.18 statement that, when the order becomes final, the board may file and enforce any unpaid
185.19 amount of a penalty as a judgment in district court without further notice or additional
185.20 proceedings.

185.21 (e) A person issued an order under this subdivision may request a hearing within 30
185.22 days of the date the order is served. If a person's written request for a hearing is not received
185.23 within 30 days of the date of service of the order, the order becomes a final order and is not
185.24 subject to review by any court or agency. If a person submits to the board a timely request
185.25 for hearing, the order is stayed pending a final order. The request for a hearing under this
185.26 paragraph must:

185.27 (1) be in writing;

185.28 (2) provide the reason for the person's request for a hearing; and

185.29 (3) be mailed or delivered to the board within 30 days of service of the order.

185.30 (f) An order under this subdivision must be personally served or sent by first-class or
185.31 certified mail to the most recent address provided to the board by the licensee or applicant
185.32 according to Minnesota Rules, part 1400.5550, subparts 2 and 3.

186.1 ~~(d)~~ (g) Except as provided in subdivision 5, paragraph (c), all hearings under this
186.2 subdivision must be conducted in accordance with ~~the Administrative Procedure Act~~ chapter
186.3 14.

186.4 (h) Nothing in this chapter prevents the board from resolving any violation through
186.5 informal disposition under section 14.59.

186.6 Sec. 34. Minnesota Statutes 2024, section 155A.33, subdivision 5, is amended to read:

186.7 **Subd. 5. Temporary suspension.** (a) When the board, or complaint committee if
186.8 authorized by the board, issues a temporary suspension order, the suspension provided for
186.9 in the order is effective on service of a written copy of the order on the licensee, registrant,
186.10 or counsel of record. The order must specify the statute, rule, or order violated by the licensee
186.11 or registrant. The order remains in effect until the board issues a final order in the matter
186.12 after a hearing, or on agreement between the board and the licensee or registrant.

186.13 (b) An order under this subdivision may (1) prohibit the licensee or registrant from
186.14 engaging in the practice of a profession regulated by the board in whole or in part, as the
186.15 facts require, and (2) condition the termination of the suspension on compliance with a
186.16 statute, rule, or order that the board has adopted or issued or is empowered to enforce. The
186.17 order must state the reasons for entering the order and must set forth the right to a hearing
186.18 as provided in this subdivision.

186.19 (c) Within ten days after service of an order under this subdivision, the licensee or
186.20 registrant may request a hearing in writing. The board must hold a hearing before its own
186.21 members within five working days of the request for a hearing. The sole issue at the hearing
186.22 must be whether there is a reasonable basis to continue, modify, or terminate the temporary
186.23 suspension. The hearing is not subject to ~~the Administrative Procedure Act~~ chapter 14.
186.24 Evidence presented to the board or the licensee or registrant may be in affidavit form only.
186.25 The licensee, registrant, or counsel of record may appear for oral argument.

186.26 (d) Within five working days after the hearing, the board ~~shall~~ must issue its order and,
186.27 if the order continues the suspension, ~~shall~~ must schedule a contested case hearing within
186.28 30 days of the issuance of the order. Notwithstanding any rule to the contrary, the
186.29 administrative law judge ~~shall~~ must issue a report within 30 days after the closing of the
186.30 contested case hearing record. The board ~~shall~~ must issue a final order within 30 days of
186.31 receiving the report.

187.1 Sec. 35. Minnesota Statutes 2024, section 155A.33, subdivision 6, is amended to read:

187.2 Subd. 6. **Violations; penalties; costs.** (a) The board may impose a civil penalty of up
187.3 to \$2,000 per violation on a person who violates a statute, rule, or order that the board has
187.4 adopted or issued or is empowered to enforce.

187.5 (b) In addition to any penalty under paragraph (a), the board may impose a fee to
187.6 reimburse the board for all or part of the cost of (1) the proceedings resulting in disciplinary
187.7 action authorized under this section, (2) the imposition of a civil penalty under paragraph
187.8 (a), or (3) the issuance of a cease and desist order. The board may impose a fee under this
187.9 paragraph when the board shows that the position of the person who has violated a statute,
187.10 rule, or order that the board has adopted or issued or is empowered to enforce is not
187.11 substantially justified unless special circumstances make such a fee unjust, notwithstanding
187.12 any rule to the contrary. Costs under this paragraph include, but are not limited to, the
187.13 amount paid by the board for services from the ~~Office~~ Court of Administrative Hearings,
187.14 attorney fees, court reporter costs, witness costs, reproduction of records, board members'
187.15 compensation, board staff time, and expenses incurred by board members and staff.

187.16 (c) All hearings under this subdivision must be conducted in accordance with ~~the~~
187.17 ~~Administrative Procedure Act~~ chapter 14.

187.18 Sec. 36. Minnesota Statutes 2024, section 155A.33, is amended by adding a subdivision
187.19 to read:

187.20 Subd. 8. **Corrective action.** (a) When the board or complaint committee, if authorized
187.21 by the board, determines that a complaint alleging that an applicant or a licensee violated
187.22 this chapter, rules adopted under this chapter, or an order issued by the board may be
187.23 appropriately resolved through corrective action, the board or complaint committee may
187.24 enter into an agreement for corrective action with an applicant or a licensee.

187.25 (b) An agreement for corrective action must:

187.26 (1) be in writing;

187.27 (2) describe the facts upon which the agreement is based;

187.28 (3) describe the corrective action agreed upon by the board or complaint committee and
187.29 the applicant or licensee; and

187.30 (4) state that the complaint upon which the agreement was based must be dismissed by
187.31 the board or complaint committee when the board or committee finds that the applicant or
187.32 licensee has successfully performed the corrective action.

188.1 (c) The board or complaint committee may determine that the applicant or licensee has
 188.2 successfully performed the corrective action if the applicant or licensee submits a request
 188.3 for dismissal that documents the applicant's or licensee's successful performance of the
 188.4 corrective action.

188.5 (d) An agreement under this subdivision is not disciplinary action. An agreement under
 188.6 this section is public data under chapter 13.

188.7 (e) The board may assess a fee on an applicant or a licensee to reimburse the board for
 188.8 costs related to the corrective action. The board must include a fee under this paragraph in
 188.9 the corrective action agreement.

188.10 (f) If an applicant or a licensee fails to successfully perform the corrective action within
 188.11 the time specified in the agreement, the matter may be resolved through any enforcement
 188.12 action authorized under this section.

188.13 Sec. 37. **REVISOR INSTRUCTION.**

188.14 The revisor of statutes must change the term "Board of Cosmetologist Examiners" to
 188.15 "Board of Cosmetology" wherever the term appears in Minnesota Statutes.

188.16 Sec. 38. **REPEALER.**

188.17 (a) Minnesota Statutes 2024, section 155A.275, is repealed.

188.18 (b) Laws 2017, First Special Session chapter 4, article 1, section 29, is repealed.

188.19 **ARTICLE 16**

188.20 **STATE GOVERNMENT MISCELLANEOUS**

188.21 Section 1. Minnesota Statutes 2024, section 16A.152, subdivision 2, is amended to read:

188.22 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund
 188.23 revenues and expenditures, the commissioner of management and budget determines that
 188.24 there will be a positive unrestricted budgetary general fund balance at the close of the
 188.25 biennium, the commissioner of management and budget must allocate money to the following
 188.26 accounts and purposes in priority order:

188.27 (1) the cash flow account established in subdivision 1 until that account reaches
 188.28 \$350,000,000;

188.29 (2) the budget reserve account established in subdivision 1a until that account reaches
 188.30 ~~\$2,852,098,000~~ \$3,421,764,000;

189.1 (3) the amount necessary to increase the aid payment schedule for school district aids
189.2 and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest
189.3 tenth of a percent without exceeding the amount available and with any remaining funds
189.4 deposited in the budget reserve; and

189.5 (4) the amount necessary to restore all or a portion of the net aid reductions under section
189.6 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75,
189.7 subdivision 5, by the same amount.

189.8 (b) The amounts necessary to meet the requirements of this section are appropriated
189.9 from the general fund within two weeks after the forecast is released or, in the case of
189.10 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
189.11 schedules otherwise established in statute.

189.12 (c) The commissioner of management and budget shall certify the total dollar amount
189.13 of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education.
189.14 The commissioner of education shall increase the aid payment percentage and reduce the
189.15 property tax shift percentage by these amounts and apply those reductions to the current
189.16 fiscal year and thereafter.

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

189.18 **Sec. 2. [16C.37] PAYROLL REPORTING PORTAL AND DATABASE.**

189.19 **Subdivision 1. Portal and database.** No later than July 1, 2027, the commissioner shall
189.20 develop and maintain a payroll reporting portal and database capable of accepting and
189.21 retaining certified payrolls submitted in compliance with this section.

189.22 **Subd. 2. Information required; availability to public.** (a) Beginning July 1, 2027, and
189.23 by the 16th day of each month following the month the work was performed, the
189.24 commissioner must make available to the public on the department's website the information
189.25 required under section 177.30, paragraph (a), clause (6), except for the employee's name.
189.26 Nothing in this section limits application of section 13.43, subdivision 19.

189.27 (b) The database must be searchable by contractor name, project name, county in which
189.28 the work was performed, and project owner.

189.29 (c) The reporting portal must accept certified payroll forms provided by the commissioner
189.30 that are fillable and designed to accept electronic signatures.

189.31 **Subd. 3. Portal registration.** All projects covered by state prevailing wage requirements,
189.32 including but not limited to the requirements under sections 177.41, 177.42, 177.43, and

190.1 116J.871, subdivisions 2 and 3, must be registered in the portal by the project owner and
 190.2 assigned an identifying project number prior to the commencement of work.

190.3 Subd. 4. **Reporting and notice requirements.** (a) All contractors covered by state
 190.4 prevailing wage requirements, including but not limited to the requirements under sections
 190.5 177.41, 177.42, 177.43, and 116J.871, subdivisions 2 and 3, must report the certified payroll
 190.6 information required under subdivision 2 and section 177.30 to the commissioner.

190.7 (b) The commissioner must provide notice to the project owner when a report is made
 190.8 by a contractor under this section.

190.9 Subd. 5. **Fulfillment of other prevailing wage reporting**
 190.10 requirements. Notwithstanding section 177.43, subdivision 6, submission of certified
 190.11 payrolls under this section fulfills the contractor reporting requirements under sections
 190.12 177.30, paragraph (a), clause (6), and 177.43, subdivision 3, but does not diminish the
 190.13 prevailing wage enforcement authority of the Department of Labor and Industry.

190.14 Subd. 6. **Local governments and project owner opt-in.** Local units of government and
 190.15 project owners may opt-in to participation in the portal and database created under this
 190.16 section for the purpose of collecting certified payroll in compliance with a local prevailing
 190.17 wage ordinance or labor standards policy.

190.18 **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 2026. Subdivisions 2 to 6 are
 190.19 effective July 1, 2027, and apply to construction projects that begin on or after that date.

190.20 **ARTICLE 17**

190.21 **MEDICAID FRAUD**

190.22 Section 1. Minnesota Statutes 2024, section 8.16, subdivision 1, is amended to read:

190.23 Subdivision 1. **Authority.** (a) The attorney general, or any deputy, assistant, or special
 190.24 assistant attorney general whom the attorney general authorizes in writing, has the authority
 190.25 in any county of the state to subpoena and require the production of: (1) any records of: (i)
 190.26 telephone companies, cellular phone companies, and paging companies; (ii) subscribers of
 190.27 private computer networks, including Internet service providers or computer bulletin board
 190.28 systems; (iii) electric companies, gas companies, and water utilities; (iv) chemical suppliers;
 190.29 (v) hotels and motels; (vi) pawn shops; (vii) airlines, buses, taxis, and other entities engaged
 190.30 in the business of transporting people; and (viii) freight companies, self-service storage
 190.31 facilities, warehousing companies, package delivery companies, and other entities engaged
 190.32 in the businesses of transport, storage, or delivery, ~~and~~; (2) wage and employment records
 190.33 relating to an investigation conducted under the attorney general's authority under section

191.1 256B.12; (3) records of the existence of safe deposit box account numbers and customer
 191.2 savings and checking account numbers maintained by financial institutions and safe deposit
 191.3 companies; (4) insurance records related to claim settlement relating to an investigation
 191.4 conducted under the attorney general's authority under section 256B.12; and (5) the banking,
 191.5 credit card, and financial records, including but not limited to a safe deposit, loan and account
 191.6 application and agreement, signature card, statement, check, transfer, account authorization,
 191.7 safe deposit access record, and documentation of fraud, that belong to the subject of an
 191.8 investigation conducted pursuant to the attorney general's authority under section 256B.12,
 191.9 whether the record is held in the investigation subject's name or in another person's name.

191.10 (b) Subpoenas may only be issued for records that are relevant to an ongoing legitimate
 191.11 law enforcement investigation.

191.12 Sec. 2. Minnesota Statutes 2025 Supplement, section 256B.12, is amended to read:

191.13 **256B.12 LEGAL REPRESENTATION.**

191.14 The attorney general or the appropriate county attorney appearing at the direction of the
 191.15 attorney general shall be the attorney for the state agency, and the county attorney of the
 191.16 appropriate county shall be the attorney for the county agency in all matters pertaining
 191.17 hereto. To prosecute under this chapter or sections ~~609.466~~ 609.467; 609.52, subdivision
 191.18 2; and 609.542 or to recover payments wrongfully made under this chapter, the attorney
 191.19 general or the appropriate county attorney, acting independently or at the direction of the
 191.20 attorney general may institute a criminal or civil action.

191.21 Sec. 3. **[609.467] MEDICAL ASSISTANCE FRAUD.**

191.22 Subdivision 1. Medical assistance fraud prohibited. A person who does any of the
 191.23 following is guilty of medical assistance fraud and may be sentenced as provided in
 191.24 subdivision 2:

191.25 (1) acting with intent to defraud, executes or participates in, or attempts or conspires to
 191.26 execute or participate in, a scheme or artifice to obtain, by means of any false or fraudulent
 191.27 pretenses, representations, or promises, or concealment of any material fact, any money or
 191.28 credits relating to the payment of medical assistance funds under chapter 256B;

191.29 (2) acting with intent to defraud, presents, submits, tenders, offers, or participates in, or
 191.30 attempts or conspires to execute or participate in, the preparation of a claim for payment,
 191.31 claim for reimbursement, cost report, or rate application, knowing or having reason to know
 191.32 that any part of the claim, report, or application is ineligible for payment or reimbursement;

192.1 (3) acting with intent to defraud, knowingly provides false information or intentionally
 192.2 omits material information as part of any enrollment application, provider agreement, or
 192.3 ownership and management disclosure required by any state or federal law as a medical
 192.4 assistance provider under chapter 245A or 256B;

192.5 (4) owns, operates, manages, or exercises control over any entity receiving medical
 192.6 assistance funds, while knowing or having reason to know that the person has been suspended
 192.7 or prohibited from enrolling as a medical assistance provider by any state agency or under
 192.8 any state law, or is excluded or prohibited from enrolling as a medical assistance provider
 192.9 by any federal agency or under any federal law;

192.10 (5) knowingly and intentionally permits another person to own, operate, manage, or
 192.11 exercise control over any entity receiving medical assistance funds, while knowing or having
 192.12 reason to know the other person is suspended or prohibited from enrolling as a medical
 192.13 assistance provider by any state agency or under any state law, or excluded or prohibited
 192.14 from enrolling as a medical assistance provider by any federal agency or under any federal
 192.15 law;

192.16 (6) falsely makes or alters any record relating to the delivery of medical assistance
 192.17 services, so that it purports to have been made by another or by the maker or alterer under
 192.18 an assumed or fictitious name, or at another time, or with different provisions, or by the
 192.19 authority of one who did not give such authority;

192.20 (7) acting with intent to defraud, presents, submits, tenders, offers, or participates in, or
 192.21 attempts or conspires to execute or participate in, the preparation of a claim for
 192.22 reimbursement for personal care assistant services, community first services and supports,
 192.23 or other services under chapter 256B, knowing or having reason to know that qualified
 192.24 professional supervision or other supervision required by state or federal law was not
 192.25 provided according to law; or

192.26 (8) after receiving a lawful request for records by any state agency or law enforcement
 192.27 agency, intentionally destroys, or attempts or conspires to destroy, medical, health care, and
 192.28 financial records required to be maintained under chapter 245A or 256B or rules adopted
 192.29 pursuant to chapter 245A or 256B.

192.30 Subd. 2. **Penalties.** (a) A person who is convicted under subdivision 1 may be sentenced
 192.31 to imprisonment for not more than five years or to payment of a fine of not more than
 192.32 \$10,000, or both.

192.33 (b) A person who is convicted under subdivision 1 may be sentenced to imprisonment
 192.34 for not more than ten years or to payment of a fine of not more than \$20,000, or both, if the

193.1 violation causes a loss to any victim or victims in an aggregate amount of more than \$10,000,
193.2 but not more than \$100,000.

193.3 (c) A person who is convicted under subdivision 1 may be sentenced to imprisonment
193.4 for not more than 20 years or to payment of a fine of not more than \$100,000, or both, if
193.5 the violation causes a loss to any victim or victims in an aggregate amount of more than
193.6 \$100,000, but not more than \$1,000,000.

193.7 (d) A person who is convicted under subdivision 1 may be sentenced to imprisonment
193.8 for not more than 30 years or to payment of a fine of not more than \$1,000,000, or both, if
193.9 the violation causes a loss to any victim or victims in an aggregate amount of more than
193.10 \$1,000,000.

193.11 Subd. 3. **Failure to keep or maintain medical assistance records.** A person who
193.12 submits a claim for reimbursement, claim for payment, claim for reimbursement cost report,
193.13 or rate application and knowingly and intentionally fails to maintain medical, health care,
193.14 and financial records as required under chapter 245A or 256B or rules adopted pursuant to
193.15 chapter 245A or 256B is guilty of a gross misdemeanor.

193.16 Subd. 4. **Continuing offense.** For purposes of calculating the statute of limitations
193.17 identified in section 628.26, any violation of subdivision 1 or 3 is a continuing offense. Any
193.18 violation of subdivision 1 or 3 extends to any act committed during the course of the scheme,
193.19 conspiracy, or conduct and is within the statute of limitations identified in section 628.26
193.20 so long as any part of the continuing scheme, conspiracy, or conduct comprising a violation
193.21 occurred within the identified statute of limitations.

193.22 Subd. 5. **Venue.** Notwithstanding anything to the contrary in section 627.01, a violation
193.23 of this section may be prosecuted in:

193.24 (1) the county where any part of the offense occurred; or

193.25 (2) the county where the entity who received a claim for payment, claim for
193.26 reimbursement, cost report, or rate application is located.

193.27 Subd. 6. **Restitution.** The court may order a person convicted of violating this section
193.28 to pay restitution for any costs, expenses, or losses resulting from the crime and for costs,
193.29 expenses, or losses resulting from similar conduct that was related to the offense but was
193.30 not charged. The court may order restitution for similar conduct that was related to the
193.31 offense if the related conduct occurred within the applicable statute of limitations and the
193.32 prosecutor provides notice of intent to seek restitution for that conduct at least five business
193.33 days before the sentencing hearing. The offender may challenge restitution as provided in

194.1 section 611A.045, subdivision 3. A dispute as to whether restitution is for similar conduct
194.2 that was related to the offense must be resolved by the court by the preponderance of the
194.3 evidence. The burden of demonstrating that the court may order restitution for any costs,
194.4 expense, or loss described in this subdivision is on the prosecution.

194.5 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
194.6 committed on or after that date.

194.7 Sec. 4. Minnesota Statutes 2024, section 609.52, subdivision 2, is amended to read:

194.8 Subd. 2. **Acts constituting theft.** (a) Whoever does any of the following commits theft
194.9 and may be sentenced as provided in subdivision 3:

194.10 (1) intentionally and without claim of right takes, uses, transfers, conceals or retains
194.11 possession of movable property of another without the other's consent and with intent to
194.12 deprive the owner permanently of possession of the property; or

194.13 (2) with or without having a legal interest in movable property, intentionally and without
194.14 consent, takes the property out of the possession of a pledgee or other person having a
194.15 superior right of possession, with intent thereby to deprive the pledgee or other person
194.16 permanently of the possession of the property; or

194.17 (3) obtains for the actor or another the possession, custody, or title to property of or
194.18 performance of services by a third person by intentionally deceiving the third person with
194.19 a false representation which is known to be false, made with intent to defraud, and which
194.20 does defraud the person to whom it is made. "False representation" includes without
194.21 limitation:

194.22 (i) the issuance of a check, draft, or order for the payment of money, except a forged
194.23 check as defined in section 609.631, or the delivery of property knowing that the actor is
194.24 not entitled to draw upon the drawee therefor or to order the payment or delivery thereof;
194.25 or

194.26 (ii) a promise made with intent not to perform. Failure to perform is not evidence of
194.27 intent not to perform unless corroborated by other substantial evidence; or

194.28 ~~(iii) the preparation or filing of a claim for reimbursement, a rate application, or a cost~~
194.29 ~~report used to establish a rate or claim for payment for medical care provided to a recipient~~
194.30 ~~of medical assistance under chapter 256B, which intentionally and falsely states the costs~~
194.31 ~~of or actual services provided by a vendor of medical care; or~~

195.1 ~~(iv)~~ (iii) the preparation or filing of a claim for reimbursement for providing treatment
195.2 or supplies required to be furnished to an employee under section 176.135 which intentionally
195.3 and falsely states the costs of or actual treatment or supplies provided; or

195.4 ~~(v)~~ (iv) the preparation or filing of a claim for reimbursement for providing treatment
195.5 or supplies required to be furnished to an employee under section 176.135 for treatment or
195.6 supplies that the provider knew were medically unnecessary, inappropriate, or excessive;
195.7 or

195.8 (4) by swindling, whether by artifice, trick, device, or any other means, obtains property
195.9 or services from another person; or

195.10 (5) intentionally commits any of the acts listed in this subdivision but with intent to
195.11 exercise temporary control only and:

195.12 (i) the control exercised manifests an indifference to the rights of the owner or the
195.13 restoration of the property to the owner; or

195.14 (ii) the actor pledges or otherwise attempts to subject the property to an adverse claim;
195.15 or

195.16 (iii) the actor intends to restore the property only on condition that the owner pay a
195.17 reward or buy back or make other compensation; or

195.18 (6) finds lost property and, knowing or having reasonable means of ascertaining the true
195.19 owner, appropriates it to the finder's own use or to that of another not entitled thereto without
195.20 first having made reasonable effort to find the owner and offer and surrender the property
195.21 to the owner; or

195.22 (7) intentionally obtains property or services, offered upon the deposit of a sum of money
195.23 or tokens in a coin or token operated machine or other receptacle, without making the
195.24 required deposit or otherwise obtaining the consent of the owner; or

195.25 (8) intentionally and without claim of right converts any article representing a trade
195.26 secret, knowing it to be such, to the actor's own use or that of another person or makes a
195.27 copy of an article representing a trade secret, knowing it to be such, and intentionally and
195.28 without claim of right converts the same to the actor's own use or that of another person. It
195.29 shall be a complete defense to any prosecution under this clause for the defendant to show
195.30 that information comprising the trade secret was rightfully known or available to the
195.31 defendant from a source other than the owner of the trade secret; or

195.32 (9) leases or rents personal property under a written instrument and who:

196.1 (i) with intent to place the property beyond the control of the lessor conceals or aids or
196.2 abets the concealment of the property or any part thereof; or

196.3 (ii) sells, conveys, or encumbers the property or any part thereof without the written
196.4 consent of the lessor, without informing the person to whom the lessee sells, conveys, or
196.5 encumbers that the same is subject to such lease or rental contract with intent to deprive the
196.6 lessor of possession thereof; or

196.7 (iii) does not return the property to the lessor at the end of the lease or rental term, plus
196.8 agreed-upon extensions, with intent to wrongfully deprive the lessor of possession of the
196.9 property; or

196.10 (iv) returns the property to the lessor at the end of the lease or rental term, plus
196.11 agreed-upon extensions, but does not pay the lease or rental charges agreed upon in the
196.12 written instrument, with intent to wrongfully deprive the lessor of the agreed-upon charges.

196.13 For the purposes of items (iii) and (iv), the value of the property must be at least \$100.

196.14 Evidence that a lessee used a false, fictitious, or not current name, address, or place of
196.15 employment in obtaining the property or fails or refuses to return the property or pay the
196.16 rental contract charges to lessor within five days after written demand for the return has
196.17 been served personally in the manner provided for service of process of a civil action or
196.18 sent by certified mail to the last known address of the lessee, whichever shall occur later,
196.19 shall be evidence of intent to violate this clause. Service by certified mail shall be deemed
196.20 to be complete upon deposit in the United States mail of such demand, postpaid and addressed
196.21 to the person at the address for the person set forth in the lease or rental agreement, or, in
196.22 the absence of the address, to the person's last known place of residence; or

196.23 (10) alters, removes, or obliterates numbers or symbols placed on movable property for
196.24 purpose of identification by the owner or person who has legal custody or right to possession
196.25 thereof with the intent to prevent identification, if the person who alters, removes, or
196.26 obliterates the numbers or symbols is not the owner and does not have the permission of
196.27 the owner to make the alteration, removal, or obliteration; or

196.28 (11) with the intent to prevent the identification of property involved, so as to deprive
196.29 the rightful owner of possession thereof, alters or removes any permanent serial number,
196.30 permanent distinguishing number or manufacturer's identification number on personal
196.31 property or possesses, sells or buys any personal property knowing or having reason to
196.32 know that the permanent serial number, permanent distinguishing number or manufacturer's
196.33 identification number has been removed or altered; or

197.1 (12) intentionally deprives another of a lawful charge for cable television service by:

197.2 (i) making or using or attempting to make or use an unauthorized external connection
197.3 outside the individual dwelling unit whether physical, electrical, acoustical, inductive, or
197.4 other connection; or by

197.5 (ii) attaching any unauthorized device to any cable, wire, microwave, or other component
197.6 of a licensed cable communications system as defined in chapter 238. Nothing herein shall
197.7 be construed to prohibit the electronic video rerecording of program material transmitted
197.8 on the cable communications system by a subscriber for fair use as defined by Public Law
197.9 94-553, section 107; or

197.10 (13) except as provided in clauses (12) and (14), obtains the services of another with
197.11 the intention of receiving those services without making the agreed or reasonably expected
197.12 payment of money or other consideration; or

197.13 (14) intentionally deprives another of a lawful charge for telecommunications service
197.14 by:

197.15 (i) making, using, or attempting to make or use an unauthorized connection whether
197.16 physical, electrical, by wire, microwave, radio, or other means to a component of a local
197.17 telecommunication system as provided in chapter 237; or

197.18 (ii) attaching an unauthorized device to a cable, wire, microwave, radio, or other
197.19 component of a local telecommunication system as provided in chapter 237.

197.20 The existence of an unauthorized connection is prima facie evidence that the occupier
197.21 of the premises:

197.22 (A) made or was aware of the connection; and

197.23 (B) was aware that the connection was unauthorized;

197.24 (15) with intent to defraud, diverts corporate property other than in accordance with
197.25 general business purposes or for purposes other than those specified in the corporation's
197.26 articles of incorporation; or

197.27 (16) with intent to defraud, authorizes or causes a corporation to make a distribution in
197.28 violation of section 302A.551, or any other state law in conformity with it; or

197.29 (17) takes or drives a motor vehicle without the consent of the owner or an authorized
197.30 agent of the owner, knowing or having reason to know that the owner or an authorized agent
197.31 of the owner did not give consent; or

198.1 (18) intentionally, and without claim of right, takes motor fuel from a retailer without
 198.2 the retailer's consent and with intent to deprive the retailer permanently of possession of
 198.3 the fuel by driving a motor vehicle from the premises of the retailer without having paid
 198.4 for the fuel dispensed into the vehicle; or

198.5 (19) commits wage theft under subdivision 1, clause (13).

198.6 (b) Proof that the driver of a motor vehicle into which motor fuel was dispensed drove
 198.7 the vehicle from the premises of the retailer without having paid for the fuel permits the
 198.8 factfinder to infer that the driver acted intentionally and without claim of right, and that the
 198.9 driver intended to deprive the retailer permanently of possession of the fuel. This paragraph
 198.10 does not apply if: (1) payment has been made to the retailer within 30 days of the receipt
 198.11 of notice of nonpayment under section 604.15; or (2) a written notice as described in section
 198.12 604.15, subdivision 4, disputing the retailer's claim, has been sent. This paragraph does not
 198.13 apply to the owner of a motor vehicle if the vehicle or the vehicle's license plate has been
 198.14 reported stolen before the theft of the fuel.

198.15 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
 198.16 committed on or after that date.

198.17 Sec. 5. Minnesota Statutes 2025 Supplement, section 609.902, subdivision 4, is amended
 198.18 to read:

198.19 Subd. 4. **Criminal act.** "Criminal act" means conduct constituting, or a conspiracy or
 198.20 attempt to commit, a felony violation of chapter 152, or a felony violation of section 299F.79;
 198.21 299F.80; 299F.82; 609.185; 609.19; 609.195; 609.20; 609.205; 609.221; 609.222; 609.223;
 198.22 609.2231; 609.228; 609.235; 609.245; 609.25; 609.27; 609.322; 609.342; 609.343; 609.344;
 198.23 609.345; 609.42; 609.467; 609.48; 609.485; 609.495; 609.496; 609.497; 609.498; 609.52,
 198.24 subdivision 2, if the offense is punishable under subdivision 3, clause (1), if the property is
 198.25 a firearm, clause (3)(b), or clause (3)(d)(v); section 609.52, subdivision 2, paragraph (a),
 198.26 clause (1) or (4); 609.527, if the crime is punishable under subdivision 3, clause (4); 609.528,
 198.27 if the crime is punishable under subdivision 3, clause (4); 609.53; 609.561; 609.562; 609.582,
 198.28 subdivision 1 or 2; 609.668, subdivision 6, paragraph (a); 609.67; 609.687; 609.713; 609.86;
 198.29 609.894, subdivision 3 or 4; 609.895; 624.713; 624.7191; or 626A.02, subdivision 1, if the
 198.30 offense is punishable under section 626A.02, subdivision 4, paragraph (a). "Criminal act"
 198.31 also includes conduct constituting, or a conspiracy or attempt to commit, a felony violation
 198.32 of section 609.52, subdivision 2, clause (3), (4), (15), or (16), if the violation involves an
 198.33 insurance company as defined in section 60A.02, subdivision 4, a nonprofit health service
 198.34 plan corporation regulated under chapter 62C, a health maintenance organization regulated

199.1 under chapter 62D, ~~or~~ a fraternal benefit society regulated under chapter 64B, or any state
199.2 agency.

199.3 Sec. 6. Minnesota Statutes 2025 Supplement, section 628.26, is amended to read:

199.4 **628.26 LIMITATIONS.**

199.5 (a) Indictments or complaints for any crime resulting in the death of the victim may be
199.6 found or made at any time after the death of the person killed.

199.7 (b) Indictments or complaints for a violation of section 609.25 may be found or made
199.8 at any time after the commission of the offense.

199.9 (c) Indictments or complaints for violation of section 609.282 may be found or made at
199.10 any time after the commission of the offense if the victim was under the age of 18 at the
199.11 time of the offense.

199.12 (d) Indictments or complaints for violation of section 609.282 where the victim was 18
199.13 years of age or older at the time of the offense, or 609.42, subdivision 1, clause (1) or (2),
199.14 shall be found or made and filed in the proper court within six years after the commission
199.15 of the offense.

199.16 (e) Indictments or complaints for violation of sections 609.322, 609.342 to 609.345, and
199.17 609.3458 may be found or made at any time after the commission of the offense.

199.18 (f) Indictments or complaints for a violation of section 609.561 shall be found or made
199.19 and filed in the proper court within ten years after the commission of the offense.

199.20 (g) Indictments or complaints for violation of sections ~~609.466~~ 609.467 and 609.52,
199.21 subdivision 2, paragraph (a), clause (3), item (iii), shall be found or made and filed in the
199.22 proper court within six years after the commission of the offense.

199.23 (h) Indictments or complaints for violation of section 609.2335, 609.52, subdivision 2,
199.24 paragraph (a), clause (3), items (i) and (ii), (4), (15), or (16), 609.631, or 609.821, where
199.25 the value of the property or services stolen is more than \$35,000, or for violation of section
199.26 609.527 where the offense involves eight or more direct victims or the total combined loss
199.27 to the direct and indirect victims is more than \$35,000, shall be found or made and filed in
199.28 the proper court within five years after the commission of the offense.

199.29 (i) Except for violations relating to false material statements, representations or omissions,
199.30 indictments or complaints for violations of section 609.671 shall be found or made and filed
199.31 in the proper court within five years after the commission of the offense.

200.1 (j) Indictments or complaints for violation of sections 609.562 and 609.563, shall be
200.2 found or made and filed in the proper court within five years after the commission of the
200.3 offense.

200.4 (k) Indictments or complaints for violation of section 609.746 shall be found or made
200.5 and filed in the proper court within the later of three years after the commission of the
200.6 offense or three years after the offense was reported to law enforcement authorities.

200.7 (l) In all other cases, indictments or complaints shall be found or made and filed in the
200.8 proper court within three years after the commission of the offense.

200.9 (m) The limitations periods contained in this section shall exclude any period of time
200.10 during which the defendant was not an inhabitant of or usually resident within this state.

200.11 (n) The limitations periods contained in this section for an offense shall not include any
200.12 period during which the alleged offender participated under a written agreement in a pretrial
200.13 diversion program relating to that offense.

200.14 (o) The limitations periods contained in this section shall not include any period of time
200.15 during which physical evidence relating to the offense was undergoing DNA analysis, as
200.16 defined in section 299C.155, unless the defendant demonstrates that the prosecuting or law
200.17 enforcement agency purposefully delayed the DNA analysis process in order to gain an
200.18 unfair advantage.

200.19 Sec. 7. **REPEALER.**

200.20 Minnesota Statutes 2024, section 609.466, is repealed.

200.21 **ARTICLE 18**
200.22 **CAMPAIGN FINANCE**

200.23 Section 1. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision
200.24 to read:

200.25 **Subd. 9b. Campaign finance report.** "Campaign finance report" means a report or
200.26 statement required under section 10A.20, 10A.202, or 10A.323.

201.1 Sec. 2. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
201.2 read:

201.3 Subd. 16d. **Enhanced penalty.** "Enhanced penalty" means a late fee or civil penalty
201.4 imposed by the board that applies after a \$25,000 or \$100,000 threshold is exceeded and is
201.5 determined using a multiplier or percentage.

201.6 Sec. 3. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
201.7 read:

201.8 Subd. 26c. **Total contributions.** "Total contributions" means the total of all contributions.
201.9 Contributions include all contributions received, in-kind contributions received, loans, and
201.10 any other types of contributions.

201.11 Sec. 4. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
201.12 read:

201.13 Subd. 26d. **Total disbursements.** "Total disbursements" means the total of all
201.14 disbursements. Disbursements include expenditures, in-kind expenditures, approved
201.15 expenditures, contributions made, in-kind contributions made, independent expenditures,
201.16 noncampaign disbursements, electioneering communications, and any other types of
201.17 expenditures and disbursements.

201.18 Sec. 5. Minnesota Statutes 2024, section 10A.02, subdivision 15, is amended to read:

201.19 Subd. 15. **Fees and penalties.** (a) Upon written request, certified pursuant to section
201.20 10A.025, subdivision 2, the board must waive that portion of a late filing fee or a civil
201.21 penalty imposed for the late filing of a report or statement under this chapter for which the
201.22 requester demonstrates good cause for the late filing or submission.

201.23 (b) Notwithstanding paragraph (a), the board must not waive any portion of an enhanced
201.24 penalty.

201.25 ~~(b)~~ (c) The board must deposit all the first \$49,000 in fees and civil penalties collected
201.26 each fiscal year under this chapter into the general fund in the state treasury. The board
201.27 must deposit any additional fees and civil penalties collected under this chapter into the
201.28 general account of the state elections campaign account in the special revenue fund.

202.1 Sec. 6. Minnesota Statutes 2024, section 10A.025, subdivision 2, is amended to read:

202.2 Subd. 2. **Penalty for false statements.** (a) A report or statement required to be filed
202.3 under this chapter must be signed and certified as true by the individual required to file the
202.4 report. The signature may be an electronic signature consisting of a password assigned by
202.5 the board.

202.6 (b) An individual ~~shall~~ must not willfully sign and certify to be true a report or statement
202.7 knowing it contains false information or knowing it omits required information.

202.8 (c) An individual ~~shall~~ must not knowingly willfully provide false or incomplete
202.9 information to a treasurer with the intent that the treasurer will rely on that information in
202.10 signing and certifying to be true a report or statement.

202.11 (d) The board must impose a civil penalty on a person who violates paragraph (b) or (c)
202.12 is subject to a civil penalty imposed by the board of. For campaign finance reports, the
202.13 penalty is up to four times the sum of the following amounts that were willfully false or
202.14 omitted: the beginning cash balance, total contributions, and total disbursements. For
202.15 campaign finance reports where more than \$25,000 was willfully false or omitted, the
202.16 penalty must instead be equal to four times the amount that was willfully false or willfully
202.17 omitted. For all other reports, the penalty is up to \$3,000.

202.18 (e) A violation of paragraph (b) or (c) is a gross misdemeanor.

202.19 ~~(e)~~ (f) The board may impose ~~an additional civil penalty of up to \$3,000~~ on the principal
202.20 campaign committee or candidate, party unit, political committee, or association that has a
202.21 political fund that is affiliated with an individual who violated paragraph (b) or (c) an
202.22 additional civil penalty of an amount up to four times the amount of the beginning cash
202.23 balance, total contributions, and total disbursements that were willfully false or willfully
202.24 omitted from the report.

202.25 Sec. 7. Minnesota Statutes 2024, section 10A.025, subdivision 3, is amended to read:

202.26 Subd. 3. **Record keeping; penalty.** (a) A person required to file a report or statement
202.27 or who has accepted record-keeping responsibility for the filer must maintain records on
202.28 the matters required to be reported, including vouchers, canceled checks, bills, invoices,
202.29 worksheets, and receipts, that will provide in sufficient detail the necessary information
202.30 from which the filed reports and statements may be verified, explained, clarified, and checked
202.31 for accuracy and completeness. The person must keep the records available for audit,
202.32 inspection, or examination by the board or its authorized representatives for four years from
202.33 the date of filing of the reports or statements or of changes or corrections to them.

203.1 (b) The board ~~may~~ must impose a civil penalty ~~of up to \$3,000~~ on a person who
 203.2 ~~knowingly willfully~~ violates this subdivision. For violations related to campaign finance
 203.3 reports, the penalty is up to four times the amount reflected on the missing records. For
 203.4 violations where the amount reflected on the missing campaign finance records exceeds
 203.5 \$25,000, the penalty must be equal to four times the amount reflected on the missing
 203.6 campaign finance records. For all other violations, the civil penalty is up to \$3,000.

203.7 (c) The board may impose a separate civil penalty of up to ~~\$3,000~~ an amount equal to
 203.8 four times the amount reflected on the missing campaign finance records on the principal
 203.9 campaign committee or candidate, party unit, political committee, or association that has a
 203.10 political fund that is affiliated with an individual who violated this subdivision.

203.11 ~~(e)~~ (d) A ~~knowing~~ willful violation of this subdivision is a misdemeanor.

203.12 Sec. 8. Minnesota Statutes 2024, section 10A.025, subdivision 4, is amended to read:

203.13 Subd. 4. **Changes and corrections.** (a) Material changes in information previously
 203.14 submitted and corrections to a report or statement must be reported in writing to the board
 203.15 within ten days following the date of the event prompting the change or the date upon which
 203.16 the person filing became aware of the inaccuracy. The change or correction must identify
 203.17 the form and the paragraph containing the information to be changed or corrected. A request
 203.18 from the board to a lobbyist to provide more detailed information about a specific subject
 203.19 of interest disclosed on a lobbyist disbursement report is a change or correction governed
 203.20 by this subdivision.

203.21 (b) The board must impose a civil penalty on a person who willfully fails to report a
 203.22 material change or correction is subject to a civil penalty imposed by the board of. For
 203.23 campaign finance reports, the penalty is up to four times the amount of the required change
 203.24 or correction that the person willfully failed to report. For a violation related to a campaign
 203.25 finance report where the amount of the required change or correction exceeds \$25,000, the
 203.26 penalty must be equal to four times the amount of the required change or correction that
 203.27 the person willfully failed to report. For all other reports, the penalty is up to \$3,000.

203.28 (c) A willful violation of this subdivision is a gross misdemeanor.

203.29 (d) The board must send a written notice to any individual who fails to file a report
 203.30 required by this subdivision. If the individual fails to file the required report within ten
 203.31 business days after the notice was sent, the board may impose a late filing fee of \$25 per
 203.32 day up to \$1,000 starting on the 11th day after the notice was sent.

204.1 (e) The board may send an additional notice by certified mail to an individual who fails
 204.2 to file a report within ten business days after the first notice was sent by the board. The
 204.3 certified notice must state that if the individual does not file the requested report within ten
 204.4 business days after the certified notice was sent, the individual may be subject to a civil
 204.5 penalty for failure to file a report. An individual who fails to file a report required by this
 204.6 subdivision within ten business days after the certified notice was sent by the board is subject
 204.7 to a civil penalty imposed by the board of up to \$1,000.

204.8 Sec. 9. Minnesota Statutes 2024, section 10A.025, subdivision 5, is amended to read:

204.9 Subd. 5. **Reconciliation information; penalty.** (a) An individual or association required
 204.10 to file a report under this chapter must provide information requested by the board to
 204.11 reconcile discrepancies between the report and reports filed by other individuals or
 204.12 associations. The board's request for information must be in writing. If the individual or
 204.13 association fails to provide the requested information within ten business days after the
 204.14 request was sent, the board may impose a late filing fee of \$25 per day up to \$1,000.

204.15 (b) The board may send notice by certified mail to an individual or association that has
 204.16 not timely responded to the board's written request for reconciliation information. The
 204.17 certified notice must state that if the individual or association does not respond to the board's
 204.18 request for information within ten business days after the certified notice was sent, the
 204.19 individual or association may be subject to a civil penalty for failure to provide information
 204.20 to the board. An individual or association that does not provide the requested information
 204.21 within ten business days after the certified notice was sent is subject to a civil penalty
 204.22 imposed by the board of up to \$1,000.

204.23 (c) The board must impose a civil penalty on a person who willfully fails to cooperate
 204.24 with the board to reconcile a report discrepancy is subject to a civil penalty imposed by the
 204.25 board of. For discrepancies related to campaign finance reports, the penalty is up to four
 204.26 times the amount of the discrepancy about which the person willfully failed to cooperate.
 204.27 For violations related to a campaign finance report where the amount of the discrepancy
 204.28 exceeds \$25,000, the penalty must be equal to four times the amount of the discrepancy
 204.29 about which the person willfully failed to cooperate. For all other reports, the penalty is up
 204.30 to \$3,000.

205.1 Sec. 10. Minnesota Statutes 2024, section 10A.025, is amended by adding a subdivision
205.2 to read:

205.3 Subd. 6. **Penalty.** A late fee or civil penalty related to a campaign finance report assessed
205.4 to a treasurer or candidate pursuant to this section may be paid by the treasurer's or candidate's
205.5 principal campaign committee, party unit, political committee, or association that has a
205.6 political fund.

205.7 Sec. 11. Minnesota Statutes 2024, section 10A.20, subdivision 12, is amended to read:

205.8 **Subd. 12. Failure to file; late fees; penalty.** (a) ~~If This subdivision governs late filing~~
205.9 ~~fees and civil penalties in instances when an individual or association fails to file a report~~
205.10 ~~required by this section or section 10A.202, the board may impose a late filing fee and a~~
205.11 ~~civil penalty as provided in this subdivision.~~

205.12 (b) If a candidate, political committee, political fund, principal campaign committee, or
205.13 party unit fails to file a report required by this section that is due January 31, the board may
205.14 impose a late filing fee of \$25 per day, not to exceed \$1,000, commencing the day after the
205.15 report was due.

205.16 (c) Except for reports governed by paragraph (b), if an individual, political committee,
205.17 political fund, principal campaign committee, party unit, or association fails to file a report
205.18 required by subdivision 2, 2a, ~~or~~ 5, 5a, 6, or 14, or by section 10A.202, late filing fees are
205.19 as follows:

205.20 (1) for reports not governed by clause (2), (3), or (4), the board may impose a late filing
205.21 fee of \$50 per day, not to exceed \$1,000, commencing on the day after the date the ~~statement~~
205.22 report was due. ~~If;~~

205.23 (2) for reports due 15 days or less before the primary and reports due ten days or less
205.24 before the general election on which the total contributions or total disbursements that should
205.25 have been newly reported exceed \$100,000 that are not required by subdivision 5 or 5a or
205.26 section 10A.202, the board must impose a late filing fee of one percent of the total
205.27 contributions or total disbursements that should have been newly reported, whichever is
205.28 greater, per day, commencing on the day after the report was due;

205.29 (3) for a report required by subdivision 5 or 5a or section 10A.202 on which the total
205.30 expenditures or contributions or total disbursements that occurred during the reporting
205.31 period exceeds exceed \$25,000, then the board ~~may also~~ must impose a late filing fee of up
205.32 to two four percent of the expenditures or total contributions or total disbursements that
205.33 should have been reported, whichever is greater, per day, commencing on the day after the

206.1 report was due, ~~not to exceed 100 percent of the amount that should have been reported;~~
 206.2 or

206.3 (4) for willful violations of clause (2) or (3), the board must instead impose a late filing
 206.4 fee of twice that required by that clause, per day, commencing on the day after the report
 206.5 was due.

206.6 (d) If an individual, political committee, political fund, principal campaign committee,
 206.7 party unit, or association has been assessed a late filing fee or civil penalty under this
 206.8 subdivision during the prior four years, the board may impose a late filing fee, a civil penalty,
 206.9 or both of up to twice the amount otherwise authorized by this subdivision. If an individual,
 206.10 political committee, political fund, principal campaign committee, party unit, or association
 206.11 has been assessed a late filing fee or civil penalty under this subdivision more than two
 206.12 times during the prior four years, the board may impose a late filing fee or civil penalty, or
 206.13 both, of up to three times the amount otherwise authorized by this subdivision. If a late
 206.14 filing fee and civil penalty are related to the same report or statement, the late filing fee and
 206.15 civil penalty count as a single penalty for purposes of this paragraph.

206.16 (e) If an individual, political committee, political fund, principal campaign committee,
 206.17 party unit, or association has been assessed an enhanced penalty during the prior four years,
 206.18 the board must impose a late filing fee, a civil penalty, or both, of up to twice the amount
 206.19 otherwise authorized by this subdivision. If an individual, political committee, political
 206.20 fund, principal campaign committee, party unit, or association has been assessed an enhanced
 206.21 penalty more than two times during the prior four years, the board must impose a late filing
 206.22 fee, a civil penalty, or both, of up to three times the amount otherwise authorized by this
 206.23 subdivision. If a late filing fee and civil penalty are related to the same report or statement,
 206.24 the late filing fee and civil penalty count as a single penalty for purposes of this paragraph.

206.25 ~~(e)~~ (f) Within ten business days after the report was due or receipt by the board of
 206.26 information disclosing the potential failure to file a report required by this section, the board
 206.27 must send notice by certified mail that the individual or association may be subject to a civil
 206.28 penalty for failure to file the report. If an individual who fails to file the report within seven
 206.29 days after the certified mail notice was sent by the board, civil penalties are as follows:

206.30 (1) for reports not governed by clause (2), (3), or (4), the individual is subject to a civil
 206.31 penalty imposed by the board of up to \$2,000 in addition to the late filing fees imposed by
 206.32 this subdivision;

206.33 (2) for reports due 15 days or less before the primary and reports due ten days or less
 206.34 before the general election on which the total contributions or total disbursements that should

207.1 have been newly reported exceed \$100,000 that are not required by subdivision 5 or 5a or
207.2 section 10A.202, the board must impose a civil penalty of 100 percent of the total
207.3 contributions or total disbursements that should have been newly reported, whichever is
207.4 greater;

207.5 (3) for a report required by subdivision 5 or 5a or section 10A.202 in which total
207.6 contributions or total disbursements exceed \$25,000, the board must impose a civil penalty
207.7 of 100 percent of the total contributions or total disbursements that should have been reported,
207.8 whichever is greater; or

207.9 (4) for willful violations of clauses (2) and (3), the board must instead impose a civil
207.10 penalty of twice that required by that clause.

207.11 Sec. 12. Minnesota Statutes 2024, section 10A.20, is amended by adding a subdivision to
207.12 read:

207.13 Subd. 16. **Penalty.** A late filing fee or civil penalty assessed to a treasurer or candidate
207.14 pursuant to this section may be paid by the treasurer's or candidate's principal campaign
207.15 committee, party unit, political committee, or association that has a political fund.

207.16 Sec. 13. **EFFECTIVE DATE.**

207.17 This article is effective August 12, 2026, and applies to reports and statements due on
207.18 or after that date.

207.19 **ARTICLE 19**
207.20 **CLEMENCY PROVISIONS**

207.21 Section 1. Minnesota Statutes 2024, section 638.09, is amended by adding a subdivision
207.22 to read:

207.23 Subd. 6. **Panel of members; prescreening applications.** (a) The commission may
207.24 appoint panels of three members to prescreen clemency and waiver applications. Each panel
207.25 must be comprised of a member appointed by the governor, the attorney general, and the
207.26 chief justice of the supreme court.

207.27 (b) A panel's meeting must be open to the public. The third-party notification provisions
207.28 of section 638.11 do not apply to panel meetings. The applicant is not required to attend
207.29 the panel meeting where the panel reviews the applicant's application. In addition to the
207.30 information contained in the application, the panel may consider any other statements or
207.31 information submitted by an interested party.

208.1 (c) Except as otherwise provided for in paragraph (d), a panel may take one of the
 208.2 following actions:

208.3 (1) recommend that the board deny the application without a commission hearing, if the
 208.4 vote is unanimous; or

208.5 (2) refer the application to the commission for a hearing.

208.6 (d) Panels may be used to review requests for expedited processing of pardon applications
 208.7 if the commission and board adopt rules that establish objective criteria for determining
 208.8 which applications are eligible for expedited processing. A panel may take one of the
 208.9 following actions on applications eligible for expedited processing:

208.10 (1) recommend that the board deny the application without a commission hearing, if the
 208.11 vote is unanimous;

208.12 (2) refer the application to the commission for a hearing; or

208.13 (3) recommend that the board grant the application without a hearing, if the vote is
 208.14 unanimous.

208.15 Sec. 2. Minnesota Statutes 2024, section 638.12, subdivision 2, is amended to read:

208.16 Subd. 2. **Pardon eligibility; waiver.** (a) Except as provided in paragraphs (b) and (c),
 208.17 an individual convicted of a crime in a court of this state may apply for a pardon of the
 208.18 individual's conviction on or after five years from the sentence's expiration or discharge
 208.19 date.

208.20 (b) An individual convicted before August 1, 2023, of a violation of section 609.19,
 208.21 subdivision 1, clause (1), under the theory of liability for crimes of another may apply for
 208.22 a pardon upon the sentence's expiration or discharge date if the individual:

208.23 (1) was charged with a violation of section 609.185, paragraph (a), clause (3), and:

208.24 (i) thereafter pled guilty to a violation of section 609.19, subdivision 1, clause (1);

208.25 (ii) did not cause the death of a human being; and

208.26 (iii) did not intentionally aid, advise, hire, counsel, or conspire with or otherwise procure
 208.27 another with the intent to cause the death of a human being; or

208.28 (2) was charged with a violation of section 609.19, subdivision 2, and:

208.29 (i) thereafter pled guilty to a violation of section 609.19, subdivision 1, clause (1);

208.30 (ii) did not cause the death of a human being; and

209.1 (iii) was not a major participant, as defined in section 609.05, subdivision 2a, paragraph
209.2 (c), in the underlying felony or did not act with extreme indifference to human life.

209.3 (c) An individual may request the board to waive the waiting period if there is a showing
209.4 of unusual circumstances and special need.

209.5 (d) The commission must review a waiver request and recommend to the board whether
209.6 to grant the request. When considering a waiver request, the commission is and the board
209.7 are exempt from the meeting requirements under section 638.14 and chapter 13D.

209.8 (e) The board must grant a waiver request unless the governor or a board majority opposes
209.9 the waiver.

209.10 Sec. 3. Minnesota Statutes 2024, section 638.14, subdivision 5, is amended to read:

209.11 Subd. 5. **Applicant appearance; third-party statements.** (a) Except as provided for
209.12 in paragraph (e), an applicant for clemency must appear before the commission either in
209.13 person or through available forms of telecommunication.

209.14 (b) The victim of an applicant's crime may appear and speak at the meeting or submit a
209.15 written statement to the commission. The commission may treat a victim's written statement
209.16 as confidential and not disclose the statement to the applicant or the public if there is or has
209.17 been an order for protection, harassment restraining order, or other no-contact order
209.18 prohibiting the applicant from contacting the victim. At the request of the victim, the
209.19 commission may treat a victim's written statement as confidential and not disclose the
209.20 statement to the public.

209.21 (c) A law enforcement agency's representative may provide the agency's position on
209.22 whether the commission should recommend clemency by:

209.23 (1) appearing and speaking at the meeting; or

209.24 (2) submitting a written statement to the commission.

209.25 (d) The sentencing judge and the prosecuting attorney, or their successors, may provide
209.26 their positions on whether the commission should recommend clemency by:

209.27 (1) appearing and speaking at the meeting; or

209.28 (2) submitting their statements under section 638.11, subdivision 2.

209.29 (e) The governor may waive the hearing requirement under paragraph (a) if:

209.30 (1) the applicant's petition requires immediate review by the board;

209.31 (2) waiver of the hearing serves a significant public interest;

210.1 (3) the applicant has previously appeared before the board; or

210.2 (4) the applicant provides good cause to do so.

210.3 Sec. 4. Minnesota Statutes 2024, section 638.16, subdivision 1, is amended to read:

210.4 Subdivision 1. **Frequency.** (a) The board must meet at least two times each year to
210.5 consider and vote on clemency applications.

210.6 (b) If the commission recommends that an application receive a hearing, the board must
210.7 hold a hearing on the application unless all the board members decline a hearing.

210.8 (c) If the commission recommends that an application not receive a hearing, the board
210.9 must not hold a hearing on the application unless at least one board member requests a
210.10 hearing.

210.11 (d) Pursuant to section 638.09, subdivision 6, if a panel of the commission recommends
210.12 granting or denying an application without a full commission hearing, the board may:

210.13 (1) adopt the panel's recommendation; or

210.14 (2) direct the full commission to conduct a hearing on the application.

210.15 (e) If the governor waives the hearing requirement for an application pursuant to section
210.16 638.14, subdivision 5, paragraph (e), the board must hold a hearing on that application.

210.17 Sec. 5. **APPROPRIATION.**

210.18 \$375,000 in fiscal year 2027 is appropriated from the general fund to the Clemency
210.19 Review Commission to increase the commission's capacity to process clemency petitions.

210.20 This is a onetime appropriation."

210.21 Delete the title and insert:

210.22 "A bill for an act

210.23 relating to state government finance; appropriating and transferring money for
210.24 prekindergarten through grade 12 education, higher education, agriculture, state
210.25 government, environment and natural resources, energy, renewable development,
210.26 jobs and economic development, labor, and corrections; making policy and technical
210.27 changes related to those appropriations; establishing a battery stewardship program;
210.28 modifying the Board of Barber Examiners and Board of Cosmetologist Examiners;
210.29 modifying Medicaid fraud, campaign finance, and clemency provisions; authorizing
210.30 administrative rulemaking; imposing penalties; requiring reports; amending
210.31 Minnesota Statutes 2024, sections 8.16, subdivision 1; 10A.01, by adding
210.32 subdivisions; 10A.02, subdivision 15; 10A.025, subdivisions 2, 3, 4, 5, by adding
210.33 a subdivision; 10A.20, subdivision 12, by adding a subdivision; 16A.152,
210.34 subdivision 2; 18J.01; 18J.02; 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05,
210.35 subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 18J.09; 18K.02,
210.36 subdivisions 5, 6; 18K.04, subdivision 1; 21.111; 21.112, by adding a subdivision;

211.1 21.113; 21.115; 21.117; 21.119; 21.1195; 21.891, subdivision 2; 28A.0752; 29.21,
 211.2 by adding a subdivision; 29.26; 32D.30, subdivision 5; 41A.19; 115A.03, by adding
 211.3 subdivisions; 115A.554; 115A.9157; 115C.08, subdivision 4; 115C.09, by adding
 211.4 a subdivision; 116.92, subdivision 6, by adding a subdivision; 122A.20,
 211.5 subdivisions 1, 2; 126C.10, subdivision 14; 136A.822, subdivision 9; 136A.823,
 211.6 subdivision 1; 154.001, subdivision 2; 154.003; 154.01; 154.02, subdivisions 1,
 211.7 4, by adding subdivisions; 154.05; 154.07, subdivision 1, by adding a subdivision;
 211.8 154.08; 154.09; 154.11, subdivision 1, by adding a subdivision; 155A.20; 155A.23,
 211.9 subdivisions 4, 5, 8, 9, 10, 18, by adding a subdivision; 155A.25, subdivisions 1a,
 211.10 3, 5, 7; 155A.27, subdivisions 5a, 10, by adding subdivisions; 155A.271,
 211.11 subdivision 2; 155A.29, subdivision 2; 155A.30, subdivisions 3, 4, 5, 6, 7, 8, 9,
 211.12 11, 12; 155A.31; 155A.32; 155A.33, subdivisions 1, 2, 3, 4, 5, 6, by adding a
 211.13 subdivision; 177.27, subdivision 4; 181.03, subdivision 6; 260E.15; 260E.28,
 211.14 subdivision 1; 325E.125, subdivision 5; 325E.1251, subdivision 2; 471.6161, by
 211.15 adding a subdivision; 583.215; 609.352, subdivisions 1, 4, by adding subdivisions;
 211.16 609.52, subdivision 2; 638.09, by adding a subdivision; 638.12, subdivision 2;
 211.17 638.14, subdivision 5; 638.16, subdivision 1; Minnesota Statutes 2025 Supplement,
 211.18 sections 17.1017, subdivision 9; 17.133, subdivisions 1, 2; 28A.04, subdivision
 211.19 1; 28A.08, subdivision 3; 126C.10, subdivision 3; 126C.15, subdivision 2; 136A.69,
 211.20 subdivision 1; 136A.821, subdivision 5; 136A.824, subdivisions 1, 2; 136A.833,
 211.21 subdivision 2; 216B.16, subdivision 15; 256B.12; 260E.065, by adding a
 211.22 subdivision; 260E.20, subdivision 1; 609.902, subdivision 4; 628.26; Laws 2023,
 211.23 chapter 40, article 4, section 2, subdivision 6, as amended; Laws 2023, chapter
 211.24 43, article 1, section 2, subdivision 5, as amended; Laws 2023, chapter 55, article
 211.25 8, section 19, subdivision 5, as amended; Laws 2023, chapter 70, article 20, section
 211.26 12, as amended; Laws 2024, chapter 90, article 1, section 52; Laws 2025, chapter
 211.27 34, article 1, section 2, subdivisions 2, 3, as amended, 4, as amended; Laws 2025,
 211.28 First Special Session chapter 10, article 8, section 18, subdivision 5; article 12,
 211.29 section 8; proposing coding for new law in Minnesota Statutes, chapters 16C; 21;
 211.30 115A; 181; 216B; 216C; 609; repealing Minnesota Statutes 2024, sections 18K.02,
 211.31 subdivision 7; 18K.03, subdivision 2; 28A.075; 115A.9155; 115A.961, subdivisions
 211.32 1, 2, 3; 136A.657; 136A.834, subdivisions 2, 3, 4; 155A.275; 325E.125,
 211.33 subdivisions 1, 2, 2a, 3, 4; 325E.1251, subdivision 1; 609.466; Minnesota Statutes
 211.34 2025 Supplement, section 136A.834, subdivisions 1, 5; Laws 2017, First Special
 211.35 Session chapter 4, article 1, section 29; Minnesota Rules, parts 2100.2500;
 211.36 2100.2600; 2100.2900; 2100.3000; 2100.3200; 2100.3300; 2100.4500; 2100.5200,
 211.37 subparts 1, 2, 5; 2100.5300; 2100.6000."