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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1020

01/30/2023 Authored by Hansen, R.; Anderson, P. H., and Tabke
The bill was read for the first time and referred to the Committee on Agriculture Finance and Policy

1.1 A bill for an act
1.2 relating to agriculture; increasing funding for county and district agricultural society
1.3 premium aid; modifying reporting requirements; appropriating money; amending
1.4 Minnesota Statutes 2022, section 38.02, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2022, section 38.02, subdivision 1, is amended to read:

1.7 Subdivision 1. Pro rata distribution; conditions. (a) Money appropriated to aid county
1.8 and district agricultural societies and associations shall be distributed among all county and
1.9 district agricultural societies or associations in the state pro rata, upon condition that each
1.10 of them has complied with the conditions specified in paragraph (b).

1.11 (b) To be eligible to participate in the distribution of aid, each agricultural society or
1.12 association shall have:

1.13 (1) held an annual fair for each of the three years last past, unless prevented from doing
1.14 so because of a calamity or an epidemic declared by the community health board as defined
1.15 in section 145A.02, subdivision 5, the state commissioner of health, or the Board of Animal
1.16 Health to exist;

1.17 (2) an annual membership of 15 or more;

1.18 (3) paid out to exhibitors for premiums awarded at the last fair held a sum not less than
1.19 the amount to be received from the state;

1.20 (4) published and distributed, or made available on an Internet website, not less than
1.21 three weeks before the opening day of the fair a premium list, listing all items or articles
1.22 on which premiums are offered and the amounts of such premiums and shall have paid

2.1 premiums pursuant to the amount shown for each article or item to be exhibited; provided
2.2 that premiums for school exhibits may be advertised in the published premium list by
2.3 reference to a school premium list prepared and circulated during the preceding school year;
2.4 and shall have collected all fees charged for entering an exhibit at the time the entry was
2.5 made and in accordance with schedule of entry fees to be charged as published in the
2.6 premium list;

2.7 (5) paid not more than one premium on each article or item exhibited, excluding
2.8 championship or sweepstake awards, and excluding the payment of open class premium
2.9 awards to 4H Club exhibits which at this same fair had won a first prize award in regular
2.10 4H Club competition; and

2.11 (6) submitted to the commissioner of agriculture on or before the first day of November
2.12 of the year in which the fair was held its annual report of premiums paid which must include
2.13 the information required under paragraph (e).

2.14 (c) All payments authorized under the provisions of this chapter shall be made only upon
2.15 the presentation by the commissioner of agriculture with the commissioner of management
2.16 and budget of a statement of premium allocations. As used herein the term premium shall
2.17 mean the cash award paid to an exhibitor for the merit of an exhibit of livestock, livestock
2.18 products, grains, fruits, flowers, vegetables, articles of domestic science, handicrafts, hobbies,
2.19 fine arts, other products of a creative nature, and articles made by school pupils, or the cash
2.20 award paid to the merit winner of events such as 4H Club or Future Farmer contest, youth
2.21 group contests, school spelling contests and school current events contests, the award
2.22 corresponding to the amount offered in the advertised premium list referred to in schedule
2.23 2. Payments of awards for horse races, horse pulls, tractor pulls, demolition derby, automobile
2.24 or other racing, jackpot premiums, ball games, musical contests, talent contests, parades,
2.25 and for amusement features for which admission is charged, are specifically excluded from
2.26 consideration as premiums within the meaning of that term as used herein. The amount shall
2.27 be computed as follows: On the first \$750 premiums paid by each society or association at
2.28 the last fair held, the society or association shall receive 100 percent reimbursement; on the
2.29 second \$750 premiums paid, 80 percent; on the third \$750 premiums paid, 60 percent; and
2.30 on any sum in excess of \$2,250, 40 percent. The commissioner of management and budget
2.31 shall make payments not later than July 15 of the year following the calendar year in which
2.32 the annual fair was held to those agricultural societies or associations entitled to payments
2.33 under the provisions of this chapter.

2.34 (d) If the total amount of state aid to which the agricultural societies and associations
2.35 are entitled under the provisions of this chapter exceeds the amount of the appropriation,

3.1 the amounts to which the societies or associations are entitled shall be prorated so that the
3.2 total payments by the state will not exceed the appropriation.

3.3 (e) Each agricultural society or association submitting an annual report of premiums
3.4 paid must provide the following information:

3.5 (1) the number of exhibitors receiving a premium;

3.6 (2) the average and total premium amounts;

3.7 (3) summary demographic data on premium recipients; and

3.8 (4) any other information required by the commissioner of agriculture.

3.9 No later than February 1 each year, the commissioner of agriculture must summarize and
3.10 report the information collected under this paragraph to the legislative committees with
3.11 jurisdiction over agriculture finance.

3.12 Sec. 2. **APPROPRIATIONS; PREMIUM AID.**

3.13 \$674,000 in fiscal year 2024 and \$674,000 in fiscal year 2025 are appropriated from the
3.14 general fund to the commissioner of agriculture for aid payments to county and district
3.15 agricultural societies and associations under Minnesota Statutes, section 38.02, subdivision
3.16 1. The commissioner must disburse the payments no later than July 15 each year.