

1.1 A bill for an act

1.2 relating to agriculture; establishing a star farms program; establishing the Star
1.3 Farm Board; appropriating money from the clean water fund; proposing coding
1.4 for new law in Minnesota Statutes, chapter 17.

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

1.6 Section 1. **[17.121] STAR FARMS.**

1.7 Subdivision 1. **Application.** (a) A farm may apply to the Star Farm Board for
1.8 designation as a star farm. The applicant must include a copy of a star farm management
1.9 plan for the farm.

1.10 (b) After review of the application, the Star Farm Board shall determine whether
1.11 designation as a star farm will be granted. The designation as a star farm becomes effective
1.12 the day following designation by the board. The board shall publish the decision on a star
1.13 farm designation in the State Register, including the effective date of the designation.

1.14 (c) The star farm designation is effective until the earlier of:

1.15 (1) five years after the date of designation; or

1.16 (2) when the Star Farm Board finds that the farm is not fulfilling the requirements of
1.17 this section or of the star farm management plan submitted.

1.18 (d) Within six months before the expiration date of the designation as a star farm, a
1.19 farm may apply to continue the star farm designation under this section.

1.20 Subd. 2. **Eligibility.** A farm applying for designation as a star farm must:

1.21 (1) develop and update a star farm management plan as provided in subdivision
1.22 3; and

1.23 (2) annually review the plan and notify appropriate state agencies and local
1.24 government units in the development and monitoring of the star farm management plan.

2.1 Subd. 3. **Star farm management plan.** (a) A star farm management plan must
2.2 contain a baseline assessment of the current condition of the farm based on scientific
2.3 information and plans for addressing the following issues:

2.4 (1) site-specific resource concerns;

2.5 (2) management indices of soil, water, habitat, and air quality outcomes;

2.6 (3) management indices of specific nonpoint pollution issues;

2.7 (4) reasonable assurance that the farm operation will meet federal, state, and local
2.8 requirements; and

2.9 (5) reasonable assurance that the farm operation will meet all applicable TMDL
2.10 plan goals, as provided under chapter 114D.

2.11 (b) The star farm management plan shall be updated within five years of adoption by
2.12 the farm.

2.13 Subd. 4. **State resources.** State agencies may consider star farm designation in
2.14 determining the allocation of financial and staff resources.

2.15 Sec. 2. **[17.122] STAR FARM BOARD.**

2.16 Subdivision 1. **Establishment.** (a) The Star Farm Board shall be established as a
2.17 nonprofit corporation under section 501(c)(3) of the Internal Revenue Code of 1986, as
2.18 amended. The Star Farm Board shall promote and designate star farms in Minnesota
2.19 under section 17.121.

2.20 (b) The board must work with private and public entities to leverage the resources
2.21 available to achieve and sustain the designation of Minnesota star farms. The board
2.22 may assist farms with finding appropriate technical and financial assistance and make
2.23 recommendations to state agencies and local government units regarding the manner in
2.24 which technical or financial assistance can be most effectively delivered. To the extent
2.25 that money is available, the board may secure, provide, or recommend financial assistance
2.26 to meet specific needs of farms for:

2.27 (1) completing a star farm management plan when the farm does not have an
2.28 existing management plan, as specified in section 17.121; and

2.29 (2) addressing specific issues of the farm to achieve or maintain the goals of the farm
2.30 management plan for farms that have achieved a star farm designation.

2.31 (c) The board shall consist of:

2.32 (1) three public members appointed by the speaker of the house, who have practical
2.33 knowledge of farmland conservation;

3.1 (2) three public members appointed by the senate Subcommittee on Committees of
3.2 the Committee on Rules and Administration, who have practical knowledge of farmland
3.3 conservation;

3.4 (3) five members, chosen by the other board members with regard to obtaining
3.5 representation from a variety of types of farms within the state, who are from farms
3.6 representing designated star farms, or until July 1, 2012, are eligible to achieve star farm
3.7 designation;

3.8 (4) one member designated by the commissioner of natural resources;

3.9 (5) one member designated by the commissioner of the Pollution Control Agency;

3.10 (6) one member designated by the chair of the Board of Water and Soil Resources;

3.11 and

3.12 (7) one member designated by the commissioner of agriculture.

3.13 (d) By January 15 of each odd-numbered year, the board shall submit a report to
3.14 the chairs and ranking minority members of the legislative committees and divisions
3.15 with jurisdiction over agriculture and environment policy and finance on the activities
3.16 for which money has been or will be spent for the current biennium, the applications for
3.17 designation, and the star farms designated by the board.

3.18 (e) Public members appointed by the speaker of the house and the senate
3.19 Subcommittee on Committees of the Committee on Rules and Administration serve at
3.20 the pleasure of the appointing authority.

3.21 Subd. 2. **Conflict of interest.** A board member may not participate in or vote on a
3.22 decision of the board relating to an organization in which the member has either a direct
3.23 or indirect personal financial interest. While serving on the Star Farm Board, a member
3.24 shall avoid any potential conflict of interest.

3.25 Subd. 3. **Staff; contracts.** The board may hire staff or enter into contracts to carry
3.26 out the activities of the board.

3.27 Subd. 4. **Bylaws.** The board shall adopt bylaws necessary for the conduct of the
3.28 business of the board consistent with this section. The corporation must publish bylaws
3.29 and amendments to the bylaws in the State Register.

3.30 Subd. 5. **Place of interest.** The board shall locate and maintain the board's place of
3.31 business within the state.

3.32 Subd. 6. **Chair.** The board shall annually elect from among its members a chair and
3.33 other officers necessary for the performance of its duties.

3.34 Subd. 7. **Meetings.** The board shall meet at least twice each year and may hold
3.35 additional meetings upon giving notice in accordance with the bylaws of the board. Board
3.36 meetings are subject to chapter 13D.

4.1 Subd. 8. **Funds.** The board may accept and use gifts, grants, or contributions from
4.2 any source. Unless otherwise restricted by the terms of a gift or bequest, the board may
4.3 sell, exchange, or otherwise dispose of and invest or reinvest the money, securities, or other
4.4 property given or bequested to it. The principal of these funds, the income from them, and
4.5 all other revenues received by the board from any nonstate source must be placed in the
4.6 depositories the board determines and are subject to expenditure for the board's purposes.

4.7 Subd. 9. **Accounts; audits.** The board may establish funds and accounts necessary
4.8 to carry out its responsibilities. The board shall provide for and pay the cost of an
4.9 independent audit of its official books and records by the legislative auditor subject to
4.10 sections 3.971 and 3.972. A copy of this audit shall be filed with the secretary of state.

4.11 Sec. 3. **FIRST MEETING; DEADLINE FOR APPOINTMENTS.**

4.12 The appointing authorities named in Minnesota Statutes, section 17.122, must
4.13 complete their appointments to the Star Farm Board by January 15, 2010, with the
4.14 exception of the appointments required under Minnesota Statutes, section 17.122,
4.15 subdivision 1, paragraph (c), clause (3), that must be completed within 30 days of the first
4.16 meeting of the board. The board member designated by the commissioner of agriculture
4.17 must convene the first meeting of the board no later than February 15, 2010.

4.18 Sec. 4. **APPROPRIATION.**

4.19 \$..... in fiscal year 2010 and \$..... in fiscal year 2011 are appropriated from the
4.20 clean water fund to the commissioner of agriculture for grants to the Star Farm Board
4.21 established under Minnesota Statutes, section 17.121. The commissioner may use up to
4.22 ten percent of the fiscal year 2010 appropriation for administration and initial meeting of
4.23 the Star Farm Board. The appropriation in fiscal year 2010 is not available until October
4.24 1, 2009.