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State of Minnesota  
HOUSE OF REPRESENTATIVES  
NINETIETH SESSION

H. F. No. 1831

03/01/2017 Authored by Loonan, Ecklund, Howe and Fenton  
The bill was read for the first time and referred to the Committee on Agriculture Policy

1.1 A bill for an act  
1.2 relating to agriculture; establishing the Minnesota Wine Promotion, Education,  
1.3 and Development Council; establishing a grant program for promotion, education,  
1.4 and development of Minnesota wines; appropriating money; proposing coding for  
1.5 new law in Minnesota Statutes, chapter 17.

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

1.7 Section 1. [17.6901] MINNESOTA WINES PROMOTION, EDUCATION, AND  
1.8 DEVELOPMENT COUNCIL.

1.9 Subdivision 1. Establishment; membership. (a) The Minnesota Wine Promotion,  
1.10 Education, and Development Council is established. The council is composed of 15 voting  
1.11 members who are Minnesota residents as follows:

1.12 (1) two wine producers from each of the four Minnesota wine geographic areas;

1.13 (2) one member of the Minnesota Farm Winery Association;

1.14 (3) one member of the Minnesota Grape Growers Association;

1.15 (4) one member of Explore Minnesota Tourism;

1.16 (5) one member representing the Minnesota grown program;

1.17 (6) one member representing the commissioner of agriculture;

1.18 (7) one member from the Minnesota Licensed Beverage Association; and

1.19 (8) one member from the Minnesota Municipal Beverage Association.

1.20 (b) The wine producers appointed under paragraph (a), clause (1), shall include one wine  
1.21 producer who produces 5,000 gallons of wine per year or less and one wine producer who

2.1 produces over 5,000 gallons of wine per year from each of the four Minnesota wine  
2.2 geographic areas.

2.3 (c) Council members shall serve three-year terms. After the initial council is appointed,  
2.4 subsequent appointments must be staggered so that one-third of council membership is  
2.5 replaced each year. Council members must be nominated by their organizations and appointed  
2.6 by the commissioner. The council may add ex officio members at its discretion. The council  
2.7 must meet at least once per year, with all related expenses reimbursed by members'  
2.8 sponsoring organizations or by the members themselves.

2.9 Subd. 2. **Powers and duties.** The council must review applications and select projects  
2.10 to receive Minnesota wine, promotion, education, and development program grants, as  
2.11 authorized in section 17.6902. The council must establish a program to provide grants for  
2.12 promotion, education, and development of Minnesota wine and Minnesota grapes. The  
2.13 commissioner is responsible for all fiscal and administrative duties.

2.14 Subd. 3. **Checkoff fees.** The council may recommend to the governor and legislature a  
2.15 checkoff fee to provide funding for grants under section 17.6902.

2.16 Subd. 4. **Rules.** The commissioner's duties under this section and section 17.6902 are  
2.17 not subject to the provisions of chapter 14.

2.18 Subd. 5. **Expiration.** This section expires June 30, 2026.

2.19 Sec. 2. **[17.6902] MINNESOTA WINE PROMOTION, EDUCATION, AND**  
2.20 **DEVELOPMENT PROGRAM.**

2.21 Subdivision 1. **Eligible projects.** Eligible projects must provide promotion, education,  
2.22 or development of the Minnesota wine industry, to stimulate economic development through  
2.23 value-added, sustainable agriculture. The council may also recommend projects to expand  
2.24 grape production in Minnesota by establishing vineyard grower grants of up to \$5,000 per  
2.25 acre for up to five acres for the establishment of new vineyards.

2.26 Subd. 2. **Awarding grants.** Applications for program grants must be submitted in the  
2.27 form prescribed by the Minnesota Wine Promotion, Education, and Development Council.  
2.28 Applications must be submitted on or before the deadline prescribed by the council. All  
2.29 applications are subject to a thorough in-state review by a peer committee established and  
2.30 approved by the council. Each project meeting the basic qualifications is subject to a yes  
2.31 or no vote by each council member. Projects chosen to receive funding must achieve an  
2.32 affirmative vote from at least ten of the 15 council members or two-thirds of voting members

3.1 present. Projects awarded program funds must submit an annual progress report in the form  
3.2 prescribed by the council.

3.3 Subd. 3. **Annual audit.** The program must have an annual audit of financial activities  
3.4 that the council must file with the commissioner on or before June 1 for the immediately  
3.5 preceding year ending December 31.

3.6 Subd. 4. **Expiration.** This section expires June 30, 2026.

3.7 Sec. 3. **[17.6903] MINNESOTA WINE PROMOTION, EDUCATION, AND**  
3.8 **DEVELOPMENT ACCOUNT.**

3.9 Subdivision 1. **Account; appropriation.** A Minnesota wine promotion, education, and  
3.10 development account is established in the agricultural fund. Money in the account, including  
3.11 interest earned, is appropriated to the commissioner for grants determined by the Minnesota  
3.12 Wine Promotion, Education, and Development Council under section 17.6902. The  
3.13 commissioner may use up to \$80,000 each fiscal year for direct costs incurred to provide  
3.14 fiscal and administrative support to the council as required under section 17.6901, subdivision  
3.15 2. The commissioner may also recover associated indirect costs from the account as required  
3.16 under section 16A.127.

3.17 Subd. 2. **Expiration.** This section expires June 30, 2026.