

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 1245

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DATE	D-PG	OFFICIAL STATUS
02/06/2023		Introduction and first reading Referred to Agriculture, Broadband, and Rural Development

1.1 A bill for an act

1.2 relating to agriculture; establishing a soil health financial assistance program;

1.3 modifying a pilot program; appropriating money; amending Laws 2022, chapter

1.4 95, article 2, section 29; proposing coding for new law in Minnesota Statutes,

1.5 chapter 17.

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

1.7 Section 1. **[17.995] SOIL HEALTH FINANCIAL ASSISTANCE PROGRAM.**

1.8 Subdivision 1. **Establishment.** The commissioner must establish and administer a

1.9 program to support healthy soil management practices in accordance with this section.

1.10 Subd. 2. **Eligible projects.** The commissioner may award a grant under this section for

1.11 any project on agricultural land in Minnesota that will:

1.12 (1) increase the quantity of organic carbon in soil through practices, including but not

1.13 limited to reduced tillage, cover cropping, manure management, precision agriculture, crop

1.14 rotations, and changes in grazing management;

1.15 (2) integrate perennial vegetation into the management of agricultural lands;

1.16 (3) reduce nitrous oxide and methane emissions through changes to livestock, soil

1.17 management, or nutrient optimization;

1.18 (4) increase the usage of precision agricultural practices;

1.19 (5) enable the development of site-specific management plans; or

1.20 (6) enable the purchase of equipment, parts and materials, technology, subscriptions,

1.21 technical assistance, seeds, seedlings, or amendments that will further any of the purposes

1.22 in clauses (1) to (5).

2.1 Subd. 3. Grant eligibility. Any owner or lessee of farmland may apply for a grant under
 2.2 this section. Local government units, including cities, towns, counties, soil and water
 2.3 conservation districts, Tribal Nations, and joint powers boards, are also eligible for a grant.
 2.4 A local government unit that receives a grant for equipment or technology must make those
 2.5 purchases available for use by the public.

2.6 EFFECTIVE DATE. This section is effective July 1, 2024.

2.7 Sec. 2. Laws 2022, chapter 95, article 2, section 29, is amended to read:

2.8 Sec. 29. ~~SOIL HEALTH FINANCIAL ASSISTANCE PILOT PROGRAM~~ HEALTHY
 2.9 SOIL MANAGEMENT PLAN.

2.10 ~~Subdivision 1. Establishment. The commissioner of agriculture must establish and~~
 2.11 ~~administer a pilot program to support healthy soil management practices in accordance with~~
 2.12 ~~this section.~~

2.13 Subd. 2. **State healthy soil management plan.** The commissioner must develop a
 2.14 healthy soil management plan in consultation with the University of Minnesota, the United
 2.15 States Department of Agriculture Natural Resources Conservation Service, the Board of
 2.16 Water and Soil Resources, the Minnesota Pollution Control Agency, and nongovernmental
 2.17 environmental and agricultural organizations. By December 31, 2023, and December 31,
 2.18 2024, the commissioner must report the plan to the governor and to the chairs and ranking
 2.19 minority members of the house of representatives and senate committees and divisions with
 2.20 jurisdiction over agriculture, the environment, and natural resources. The plan must include
 2.21 all of the following:

2.22 (1) an assessment of the current state of healthy soil management practices statewide;

2.23 (2) a statewide five- and ten-year goal for healthy soil management practice
 2.24 implementation, denominated in acres;

2.25 (3) an explanation of how the commissioner will make grant award decisions based on
 2.26 the eligibility categories described in subdivision 3;

2.27 (4) an explanation of how the commissioner will ensure a geographically fair distribution
 2.28 of funding across a broad group of crop types, soil management practices, and farm sizes;

2.29 (5) a strategy for leveraging other public and private sources of money to expand healthy
 2.30 soil management practices in the state;

3.1 (6) a summary of the operations of the program, including a summary of state, federal,
 3.2 and private money spent, the total number of projects and acres, and an estimate of carbon
 3.3 sequestered or carbon emissions reduced during that period; and

3.4 (7) any other matter that the commissioner deems relevant.

3.5 ~~Subd. 3. **Eligible projects.** The commissioner may award a grant under this section for~~
 3.6 ~~any project on agricultural land in Minnesota that will:~~

3.7 ~~(1) increase the quantity of organic carbon in soil through practices, including but not~~
 3.8 ~~limited to reduced tillage, cover cropping, manure management, precision agriculture, crop~~
 3.9 ~~rotations, and changes in grazing management;~~

3.10 ~~(2) integrate perennial vegetation into the management of agricultural lands;~~

3.11 ~~(3) reduce nitrous oxide and methane emissions through changes to livestock, soil~~
 3.12 ~~management, or nutrient optimization;~~

3.13 ~~(4) increase the usage of precision agricultural practices;~~

3.14 ~~(5) enable the development of site-specific management plans; or~~

3.15 ~~(6) enable the purchase of equipment, parts and materials, technology, subscriptions,~~
 3.16 ~~technical assistance, seeds, seedlings, or amendments that will further any of the purposes~~
 3.17 ~~in clauses (1) to (5).~~

3.18 ~~Subd. 4. **Grant eligibility.** Any owner or lessee of farmland may apply for a grant under~~
 3.19 ~~this section. Local government units, including cities, towns, counties, soil and water~~
 3.20 ~~conservation districts, Tribal nations, and joint powers boards, are also eligible for a grant.~~
 3.21 ~~A local government unit that receives a grant for equipment or technology must make those~~
 3.22 ~~purchases available for use by the public.~~

3.23 ~~Subd. 5. **Funding limitations.** Every appropriation for the soil health financial assistance~~
 3.24 ~~pilot program is subject to the following limitations:~~

3.25 ~~(1) the commissioner may award no more than ten percent of the appropriation to a~~
 3.26 ~~single recipient; and~~

3.27 ~~(2) the commissioner may use no more than five percent of the appropriation to cover~~
 3.28 ~~the costs of administering the program.~~

3.29 ~~Subd. 6. **Expiration.** This section expires ~~June 30~~ December 31, 2024.~~

3.30 ~~**EFFECTIVE DATE.** This section is effective July 1, 2024.~~

4.1 Sec. 3. APPROPRIATION.

4.2 \$..... in fiscal year 2025 is appropriated from the general fund to the commissioner of
4.3 agriculture for purposes of the soil health financial assistance program. The commissioner
4.4 may award no more than ten percent of the appropriation to a single recipient. The
4.5 commissioner may use up to five percent of the appropriation for administration. This is a
4.6 onetime appropriation.