

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

**S.F. No. 4336**

(SENATE AUTHORS: JOHNSON)

DATE  
03/16/2020

D-PG

Introduction and first reading  
Referred to Agriculture, Rural Development, and Housing Finance

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to agriculture; modifying a 2019 appropriation; amending Laws 2019,  
1.3 First Special Session chapter 1, article 1, section 2, subdivision 4.

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

1.5 Section 1. Laws 2019, First Special Session chapter 1, article 1, section 2, subdivision 4,  
1.6 is amended to read:

1.7 **Subd. 4. Agriculture, Bioenergy, and Bioproduct**  
1.8 **Advancement** 23,653,000 23,654,000

1.9 (a) \$9,300,000 the first year and \$9,300,000  
1.10 the second year are for transfer to the  
1.11 agriculture research, education, extension, and  
1.12 technology transfer account under Minnesota  
1.13 Statutes, section 41A.14, subdivision 3. Of  
1.14 these amounts: at least \$600,000 the first year  
1.15 and \$600,000 the second year are for the  
1.16 Minnesota Agricultural Experiment Station's  
1.17 agriculture rapid response fund under  
1.18 Minnesota Statutes, section 41A.14,  
1.19 subdivision 1, clause (2); \$2,000,000 the first  
1.20 year and \$2,000,000 the second year are for  
1.21 grants to the Minnesota Agriculture Education  
1.22 Leadership Council to enhance agricultural  
1.23 education with priority given to Farm Business

2.1 Management challenge grants; \$350,000 the  
2.2 first year and \$350,000 the second year are  
2.3 for potato breeding; and \$450,000 the first  
2.4 year and \$450,000 the second year are for the  
2.5 cultivated wild rice breeding project at the  
2.6 North Central Research and Outreach Center  
2.7 to include a tenure track/research associate  
2.8 plant breeder. The commissioner shall transfer  
2.9 the remaining funds in this appropriation each  
2.10 year to the Board of Regents of the University  
2.11 of Minnesota for purposes of Minnesota  
2.12 Statutes, section 41A.14. Of the amount  
2.13 transferred to the Board of Regents, up to  
2.14 \$1,000,000 each year is for research on avian  
2.15 influenza.

2.16 To the extent practicable, money expended  
2.17 under Minnesota Statutes, section 41A.14,  
2.18 subdivision 1, clauses (1) and (2), must  
2.19 supplement and not supplant existing sources  
2.20 and levels of funding. The commissioner may  
2.21 use up to one percent of this appropriation for  
2.22 costs incurred to administer the program.

2.23 (b) \$14,353,000 the first year and \$14,354,000  
2.24 the second year are for the agricultural growth,  
2.25 research, and innovation program in  
2.26 Minnesota Statutes, section 41A.12. Except  
2.27 as provided below, the commissioner may  
2.28 allocate the appropriation each year among  
2.29 the following areas: facilitating the start-up,  
2.30 modernization, improvement, or expansion of  
2.31 livestock operations including beginning and  
2.32 transitioning livestock operations with  
2.33 preference given to robotic dairy-milking  
2.34 equipment; providing funding not to exceed  
2.35 \$400,000 each year to develop and enhance

3.1 farm-to-school markets for Minnesota farmers  
3.2 by providing more fruits, vegetables, meat,  
3.3 grain, and dairy for Minnesota children in  
3.4 school and child care settings including, at the  
3.5 commissioner's discretion, reimbursing  
3.6 schools for purchases from local farmers;  
3.7 assisting value-added agricultural businesses  
3.8 to begin or expand, to access new markets, or  
3.9 to diversify, including aquaponics systems;  
3.10 providing funding not to exceed \$300,000  
3.11 each year for urban youth agricultural  
3.12 education or urban agriculture community  
3.13 development; providing funding not to exceed  
3.14 \$300,000 each year for the good food access  
3.15 program under Minnesota Statutes, section  
3.16 17.1017; facilitating the start-up,  
3.17 modernization, or expansion of other  
3.18 beginning and transitioning farms including  
3.19 by providing loans under Minnesota Statutes,  
3.20 section 41B.056; sustainable agriculture  
3.21 on-farm research and demonstration;  
3.22 development or expansion of food hubs and  
3.23 other alternative community-based food  
3.24 distribution systems; enhancing renewable  
3.25 energy infrastructure and use; crop research  
3.26 including basic and applied turf seed research;  
3.27 Farm Business Management tuition assistance;  
3.28 and good agricultural practices/good handling  
3.29 practices certification assistance. The  
3.30 commissioner may use up to 6.5 percent of  
3.31 this appropriation for costs incurred to  
3.32 administer the program.

3.33 Of the amount appropriated for the agricultural  
3.34 growth, research, and innovation program in  
3.35 Minnesota Statutes, section 41A.12:

4.1 (1) \$1,000,000 the first year and \$1,000,000  
4.2 the second year are for distribution in equal  
4.3 amounts to each of the state's county fairs to  
4.4 preserve and promote Minnesota agriculture;

4.5 (2) \$2,500,000 the first year and \$2,500,000  
4.6 the second year are for incentive payments  
4.7 under Minnesota Statutes, sections 41A.16,  
4.8 41A.17, and 41A.18. Notwithstanding  
4.9 Minnesota Statutes, section 16A.28, the first  
4.10 year appropriation is available until June 30,  
4.11 2021, and the second year appropriation is  
4.12 available until June 30, 2022. If this  
4.13 appropriation exceeds the total amount for  
4.14 which all producers are eligible in a fiscal  
4.15 year, the balance of the appropriation is  
4.16 available for the agricultural growth, research,  
4.17 and innovation program. The base amount for  
4.18 the allocation under this clause is \$3,000,000  
4.19 in fiscal year 2022 and later;

4.20 (3) up to \$5,000,000 the first year is for Dairy  
4.21 Assistance, Investment, Relief Initiative  
4.22 (DAIRI) grants to Minnesota dairy farmers  
4.23 who enroll for five years of coverage under  
4.24 the federal dairy margin coverage program  
4.25 and produced no more than 16,000,000 pounds  
4.26 of milk in 2018. The commissioner must  
4.27 award DAIRI grants based on participating  
4.28 producers' amount of 2018 milk, up to  
4.29 5,000,000 pounds per participating producer,  
4.30 at a rate determined by the commissioner  
4.31 within the limits of available funding;

4.32 (4) up to \$5,000,000 the second year is for  
4.33 innovative ~~soybean~~ processing and research  
4.34 at the Ag Innovation Campus;

5.1 (5) \$75,000 the first year is for a grant to  
5.2 Greater Mankato Growth, Inc. for assistance  
5.3 to agricultural-related businesses to promote  
5.4 jobs, innovation, and synergy development;  
5.5 and

5.6 (6) \$75,000 the first year and \$75,000 the  
5.7 second year are for grants to the Minnesota  
5.8 Turf Seed Council for basic and applied  
5.9 research.

5.10 The amounts in clauses (3) to (6) are onetime.

5.11 Notwithstanding Minnesota Statutes, section  
5.12 16A.28, any unencumbered balance does not  
5.13 cancel at the end of the first year and is  
5.14 available for the second year and  
5.15 appropriations encumbered under contract on  
5.16 or before June 30, 2021, for agricultural  
5.17 growth, research, and innovation grants are  
5.18 available until June 30, 2024.

5.19 The base amount for the agricultural growth,  
5.20 research, and innovation program is  
5.21 \$14,693,000 in fiscal year 2022 and  
5.22 \$14,693,000 in fiscal year 2023, and includes  
5.23 funding for incentive payments under  
5.24 Minnesota Statutes, sections 41A.16, 41A.17,  
5.25 41A.18, and 41A.20.

5.26 The commissioner must consult with the  
5.27 commissioner of transportation, the  
5.28 commissioner of administration, and local  
5.29 units of government to identify at least ten  
5.30 parcels of publicly owned land that are suitable  
5.31 for urban agriculture.