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April 15, 2024

Chair Aric Putnam
Senate Agriculture Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 3215
St. Paul, MN 55155

Dear Chair Putnam and members of the committee:

On behalf of Minnesota Farmers Union (MFU), I write to share our strong support for your supplemental agriculture finance bill (SF3955 DE) and to thank you for prioritizing investments that are important to our family farmer members.

MFU is a grassroots organization that has represented Minnesota's family farmers, ranchers and rural communities since 1918. Last year, our members applauded your committee's historic, one-time investments in agriculture, while also raising concerns about future uncertainty for initiatives within the Agricultural Growth Research and Investment (AGRI) program. This supplemental budget builds on those successes, addresses the shortfall in AGRI, and response to emergent issues.

We appreciate the committee and your staff's hard work on this proposal and understand that crafting a budget means making decisions between worthy priorities. Given the targets defined by the Governor and legislative leaders, we believe this is a strong supplemental budget proposal and we hope it earns the committee's full support.

More specifically, **we would like to share our strong support for:**

- **Addressing the shortfall in AGRI**, ensuring that this important program can continue to serve farmers and others in our agriculture economy well into the future. As our Executive Committee member, Josh VanDerPol, shared with your committee in testimony, this program is hugely important to our members. From farm-to-school, to meat processing, to biofuels infrastructure, to beginning farmers programs—so much of that work is in AGRI.

Even more importantly, the undesignated funds in AGRI allow MDA to respond quickly to urgent challenges. When COVID-19 shut down the large, consolidated packing plants, putting pressure on the already strained system of small and mid-sized processors, MDA sprang into action to ensure workers were safe and that farmers could get their livestock to market. They created a rapid response mini-grant program to help small processors scale up quickly, helped lockers purchase protective equipment for employees, and provided a matching service for livestock producers who couldn't find processing. This work was important not only for farmers and others who were helped through a challenging year, but also because these programs served as effective pilots for initiatives funded last session. This is just one example of this program's success. It is central to how MDA shows up to support family farmers and others working to make our agriculture economy more vibrant

and diversified, and it's a critical tool for managing the unexpected. Thank you for prioritizing this funding as this proposal moves through conference.

- **Addressing nitrates in SE MN**, ensuring that everyone has access to safe drinking water and helping farmers in making voluntary investments in equipment soil health equipment. Nitrates in groundwater in the karst region is a complex, generational issue for which there is not one simple solution. Instead, this will take multiple approaches and locally adapted partnerships that help farmers and communities address urgent public health concerns—including that which is due to persistent, legacy contaminants—and continue to improve farm practices and reduce agriculture's impact on the environment.

We're glad to see your bill meaningfully address the two prongs of the state's response to this issue. First, quickly ensuring that residents of Southeast Minnesota have access to clean drinking water through investing in reverse osmosis systems (SF5634) and helping to upgrade private wells (SF5385).

Second, over the longer-term, we support helping farmers to continue implementing soil health practices through investing in new equipment. These practices are a win-win as they often improve profitability and help farmers meet their goals to retain topsoil, hold water, and deliver ecosystem services. Many of our members are interested in these practices, but the initial investment in equipment, seed, or other inputs is prohibitively expensive without proof of concept. Grants proposed to advance soil health practices will create the financial bridge and accelerate adoption of these practices in Southeast Minnesota.

- **Supporting new and emerging farmers** by ensuring that the Down Payment Assistance program and other programs are sustainable and will continue to help new farmers build a life in agriculture (SF5049, Putnam). A highlight of last years' budget was your investments in the next generation of farmers, which are important not only for those individuals, but also for the continued vitality of our agriculture economy and rural communities.

Farming is extremely capital-intensive and emerging farmers, including Black farmers, indigenous farmers, and farmers of color often face significant barriers in working to build a farm business. We value your and your team's conversations with emerging farmers and your work to ensure that programs remain equitable, accessible, and responsive to the needs of those who rely on them.

- **Supporting the next generation of meat cutters**, ensuring that entrepreneurs are prepared to operate local lockers and continue to serve livestock farmers across the state. Much like in agriculture more broadly, many processors are approaching retirement and thinking about the generational transition of their businesses.

Building on the success of a previous grant round, this competitive grant program will help secondary schools purchase supplies and equipment, do limited renovations, and gain professional development needed to stand up meat cutting courses. This investment is well-timed, because secondary schools can rely on Central Lakes and Ridgewater Colleges—both of which have started meat cutting programs—for training educators. Secondary courses will also provide a pathway for students to enroll in these programs.

- **Increasing farm to school and early care funding** to help farmers access new markets and ensure young people have access to healthy, nutritious meals that aid their learning. This program has been a success and represents a win-win-win for participating farmers, schools, and the state. A supplemental increase this session makes sense, because the program is being expanded to include in-home childcares (SF2538,).
- **Protecting poultry farms from High Path Avian Influenza** (SF4214) to discourage wild birds from interacting with domestic flocks. This builds on your investments in the Board of Animal Health (BAH), the Ag Emergency Account, and the Veterinary Diagnostic Lab (VDL) last session. It is also another great example of successful programs piloted through AGRI.
- **Funding a land trends report** which will help your committee better understand dynamics leading to skyrocketing land values that squeeze out new farmers and make it harder for family farms to transition land to the next generation.
- **Ensuring future investment in fertilizer research** through extending the AFREC program into the future. This successful program informs best management practices and ensures that farmers are using the best information when they make decisions about applying the fertilizer. Like other agriculture organizations, Minnesota Farmers Union has long had a representative on the council, allowing us to help direct research priorities.
- **Supporting farmers markets** across the state by allowing them additional flexibility with funds appropriated last session. This will help ensure that more markets implement SNAP and EBT, strengthening markets for farms and allowing them to serve more Minnesotans.
- **Elk depredation funding and a cervidae crop damage report** both of which will help farmers whose crops are being decimated by wild animals managed by the state.

In reviewing your proposal for a supplemental budget bill, I can't help but think of the conversation you had with farmers who joined you in Zumbrota for a listening session prior to session. This bill responds directly to many of the challenges raised in that meeting, as well as those brought forward by our members.

In all, this is a strong bill and we urge the committee's support. If you have any questions, please contact our Government Relations Director, Stu Lourey, at stu@mfu.org or (320) 232-2047 (C). Thank you for considering the needs and perspectives of Minnesota's farm families.

Sincerely,



Gary Wertish
President, Minnesota Farmers Union