

S.F. 1955 – Agriculture, Broadband and Rural Development Budget (2nd engrossment)

Author: Senator Aric Putnam

Prepared by: Laura Paynter, Legislative Analyst, (651/296-5079)

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Article 1: Appropriations for the Department of Agriculture, Board of Animal Health, and Agricultural Utilization Research Institute

Please see the [Agriculture, Broadband, and Rural Development: Change Items Only](#) spreadsheet for information on appropriations.

Article 2: Agriculture Policy

Section 1 (17.1016, subdivision 2) amends the cooperative grant program to expand the types of cooperatives eligible.

Section 2 (17.133, subdivision 2) amends the farm down payment assistance grants to require a minimum \$5,000 match and requires the commissioner to accept applications for at least 30 days.

Section 3 [17.134] establishes a soil health financial assistance program, describes the types of projects and entities eligible for grants, and requires a report.

Section 4 (28A.152, subdivision 2) amends the cottage foods exemption section to allow for products to be delivered through the mail.

Section 5 (41A.14, subdivision 2) amends representation for the agriculture research, education, extension, and technology transfer grant advisory panel, giving the Minnesota Indian Affairs Council the ability to appoint a person representing the interests of Minnesota Tribal governments.

Section 6 (41A.19) modifies the incentive programs that must submit an annual report.

Sections 7 to 18 relate to the grain indemnity program, a new state program that would mostly replace the current bonding requirements for grain buyers. Producers would pay a premium on each grain sale, with those funds forwarded to the grain indemnity account. Premiums would be collected

when the account drops below a specified amount. In the event of a grain buyer or warehouse operator breaching a contract, the producer may file a claim and receive a payment from this fund.

Section 7 (223.16) adds a definition of “failure” to the Grain Buyers chapter.

Section 8 (223.17, subdivision 6) amends requirements for financial reporting for grain buyers.

Section 9 (223.17, subdivision 7) modifies provisions relating to breach of contract for grain purchases.

Section 10 (223.17, subdivision 7a) amends the bond requirements and updates the statute reference.

Section 11 (223.175) modifies the statement that must be included in written voluntary extension of credit contracts.

Section 12 (223.19) updates the commissioner’s rulemaking authority to reflect the new statute sections.

Section 13 [223.24] establishes the grain indemnity account, appropriates money to the commissioner to pay claims, issue refunds, and administer the program. The section also describes when a producer is eligible for payment, the claim process, and limits on payments; authorizes the commissioner to petition for a court order and to take legal action to recover claim payments.

Section 14 [223.25] outlines the charges, collection, and submission of grain indemnity premiums.

Section 15 [223.26] describes how a producer may opt out of the grain indemnity program.

Section 16 [223.27] states the penalties for refusing to collect premiums or pay collected premiums to the commissioner.

Section 17 [223.28] describes the bond requirements for a new grain buyer or public grain warehouse operator.

Section 18 (232.22, subdivision 5) modifies reporting requirements for stored grain.

Section 19 (Laws 2022, chapter 95, article 2, section 29, subdivision 6) extends the expiration date for the state healthy soil management plan.

Section 20 requires the commissioner of agriculture to prepare a report on ways to pay past and future claims filed under the bioincentive program.

Section 21 describes the wolf-livestock conflict prevention grant program.

Section 21 repeals provisions relating to expiration of the emerging farmers section; sunset of the agricultural growth, research, and innovation program; the oriented strand board production incentive; and provisions in the grain buyer chapter.

Article 3: Broadband

Section 1 explains the broadband development appropriations.

Section 2 contains the appropriations to the Department of Employment and Economic Development, including \$350,000 each year for the Office of Broadband Development, \$55 million the first year and \$35 million the second year for the border-to-border broadband account, and \$20 million each year for the lower population density grant program.

Section 3 (116J.395, subdivision 7) amends the limits for the border-to-border broadband development grants.

Section 4 [116J.3952] establishes a lower population density grant program to provide broadband service to unserved and underserved areas of the state.

Section 5 (116J.396, subdivision 2) amends the allowable expenditures from the border-to-border broadband fund to include the lower population density grant program.

Section 6 states that the effective date for this act is July 1, 2023.