

**For More Information about RC&D please visit our website at [www.mnrkd.org](http://www.mnrkd.org) or call 320-763-3191 ext. 5**

All programs and services of the MARC&D are offered on a nondiscriminatory basis, without regard to race, color, national origin, religion, gender, age, disability, sexual orientation, marital or familial status, or handicap.

# Minnesota Association of Resource Conservation and Development Councils

## What is RC&D?

Resource Conservation and Development (RC&D) is a unique program that helps people protect and develop their economic, natural and social resources in ways that help improve their local economy, environment and quality of life. Local RC&D Councils provide a way for local people to plan and implement projects that will make their communities better places to live.

*Local people working together to solve local problems!*

## What can RC&D do for you?

- Develop locally sponsored projects
- Organized as a non-profit 501(c)(3)
- Grant Writing
- Fiscal Agent Services
- Technical Assistance
- Organizational Support
- Planning Assistance
- Information/Educational events
- Build regional partnerships

### LOCAL COUNCILS AT WORK

Local RC&D Councils in Minnesota work on a wide variety of projects. Individual council's determines their priority areas of interest based on the long range plans set by the communities they serve.

Examples include:

- Community Improvement & Development
- Economic Development & Revitalization
- Natural Resource Conservation & Protection
- Human services & resources
- Value Added Economic Opportunities

## MAKING THINGS HAPPEN –

RC&D is based on the idea that local people know what their communities need and can create solutions that will really work. Local volunteers establish RC&D Councils. Each RC&D is sponsored by Soil and Water Conservation Districts and County Commissioners within a multi-county region. RC&D Council directors volunteer their time to address important issues in their area. The strength of the RC&D Program is in local people working together to solve their own opportunities. The development of local leadership and community pride is a crucial part of RC&D projects and successes.

Minnesota's RC&D Councils receive staffing and financial support from the USDA Natural Resources Conservation Service (NRCS), which provides a Coordinator to work with each Council in the state. RC&D Coordinators work closely with Councils to identify problems, establish goals and objectives, build strategies, and implement plans. Although RC&D Council receive assistance from NRCS and many other partnering agencies and organizations, priorities and policies are always set by local people.

<p><b><u>COTEAU DES PRAIRIES</u></b> 2740 22<sup>nd</sup> St. Ste. 2 Slayton, MN 56172 Phone: 507-836-8933 (pending area)</p>	<p><b><u>GIZIIBII RC&amp;D</u></b> 3217 Bemidji Ave. No Bemidji, MN 56601 Phone: 218-751-1942 x 5 <a href="http://www.grcd.org">www.grcd.org</a></p>	<p><b><u>HIAWATHA VALLEY RC&amp;D</u></b> 1485 Industrial Dr. NW #104 Rochester, MN 55901 Phone 507-281-1959 x 4</p>	<p><b><u>LAURENTIAN RC&amp;D</u></b> 4850 Miller Trunk Hwy, #2A Duluth, MN 55811 Phone: 218-720-5225 <a href="http://www.lrcd.org">www.lrcd.org</a></p>
<p><b><u>ONANEGOZIE RC&amp;D</u></b> 2008 Mahogany St. #3 Mora, MN 55051 Phone 320-679-4604</p>	<p><b><u>PEMBINA TRAIL RC&amp;D</u></b> 2605 Wheat Dr. Red Lake Falls, MN 56750 Phone 218-253-2646 x 103</p>	<p><b><u>PRAIRIE COUNTRY</u></b> 1005 High Avenue Willmar, MN 56201 Phone: 320-231-0008 x 5</p>	<p><b><u>THREE RIVERS RC&amp;D</u></b> 1160 Victory Dr. #4 Mankato, MN 56001 Phone 507-345-7418 x 5</p>
<p><b><u>WESMIN RC&amp;D</u></b> 900 Robert St. #104 Alexandria, MN 56308 Phone: 320-763-3191 x 5 <a href="http://www.wesminrcd.org">www.wesminrcd.org</a></p>	<p><b><u>MID MINNESOTA MISSISSIPPI RIVER</u></b> 2008 Mahogany St # 3 Mora, MN 55051-7107 Phone: 320-679-4604 x 5 (pending area)</p>	<p><b><u>MARC&amp;D</u></b> 4850 Miller Trunk Hwy, #2A Duluth, MN 55811 Phone: 218-720-5225</p>	

" Attachment B "

**Productive Conservation on Working Lands™ (PCWL) Initiative**  
*Productive Conservation is a demonstration project that will reduce the economic, environmental and social risk to the farmers growing new conservation crops for energy and emerging industries.*

**Project at a Glance:**

- Provide Crop establishment payments to grow approved PCWL crops.
- Provide revolving loan funds to growers of perennial PCWL crops.
- Work with partners to develop new markets and value added opportunities for PCWL crops.
- Work with partners to conduct on-farm applied research when needed.
- Document economic, environmental and social benefits to MN.
- Modify existing federal farm policy to reduce economic risk for farmers growing PCWL crops (FSA bases)
- Further develop infrastructure needed to secure private & federal funding.
- Measure successes.

**Project Description:**

Productive Conservation on Working Lands™ is a holistic agricultural alternative to current conservation programs. Productive Conservation on Working Lands™ provides sustainable economic opportunities and needed farm diversity while offering environmental benefits to Minnesota without the idling of land.

PCWL begins with the landowner/farmer request of service. These services can include: crop establishment payments for approved PCWL crops, revolving loan funds for approved perennial PCWL crops, technical assistance, and market and research development.

The RC&D program in Minnesota is requesting \$2.5 Million for the Productive Conservation on Working Lands™ initiative.

The RC&D program in Minnesota and the Minnesota Department of Agriculture will develop and deliver an alternative agricultural program including infrastructure needed to secure private and federal funding. This initiative will provide defined economic, environmental and social benefits to Minnesota and the Nation through crop establishment payments, market development, on-farm research, technical assistance and outreach for non-traditional conservation and renewable energy crops.

**State's Roll in Productive Conservation on Working Lands™:**

The RC&D program in Minnesota will work with the Minnesota Department of Agriculture as the fiscal agent. The RC&D program in Minnesota is asking the Minnesota State Legislature for \$2.5 million to develop the infrastructure needed to demonstrate success for securing private and federal funding. The state will play an important role in the Productive Conservation on Working Lands™ initiative.

**Matching Funds:**

The RC&D program in Minnesota will match state funding with both private and federal funds. A minimum of \$1.7 million will be matched with private funds including grants from foundations and private industry. The RC&D program in Minnesota will work to secure a federal match of \$10 million through the 2007 Farm Program or other federal funding.

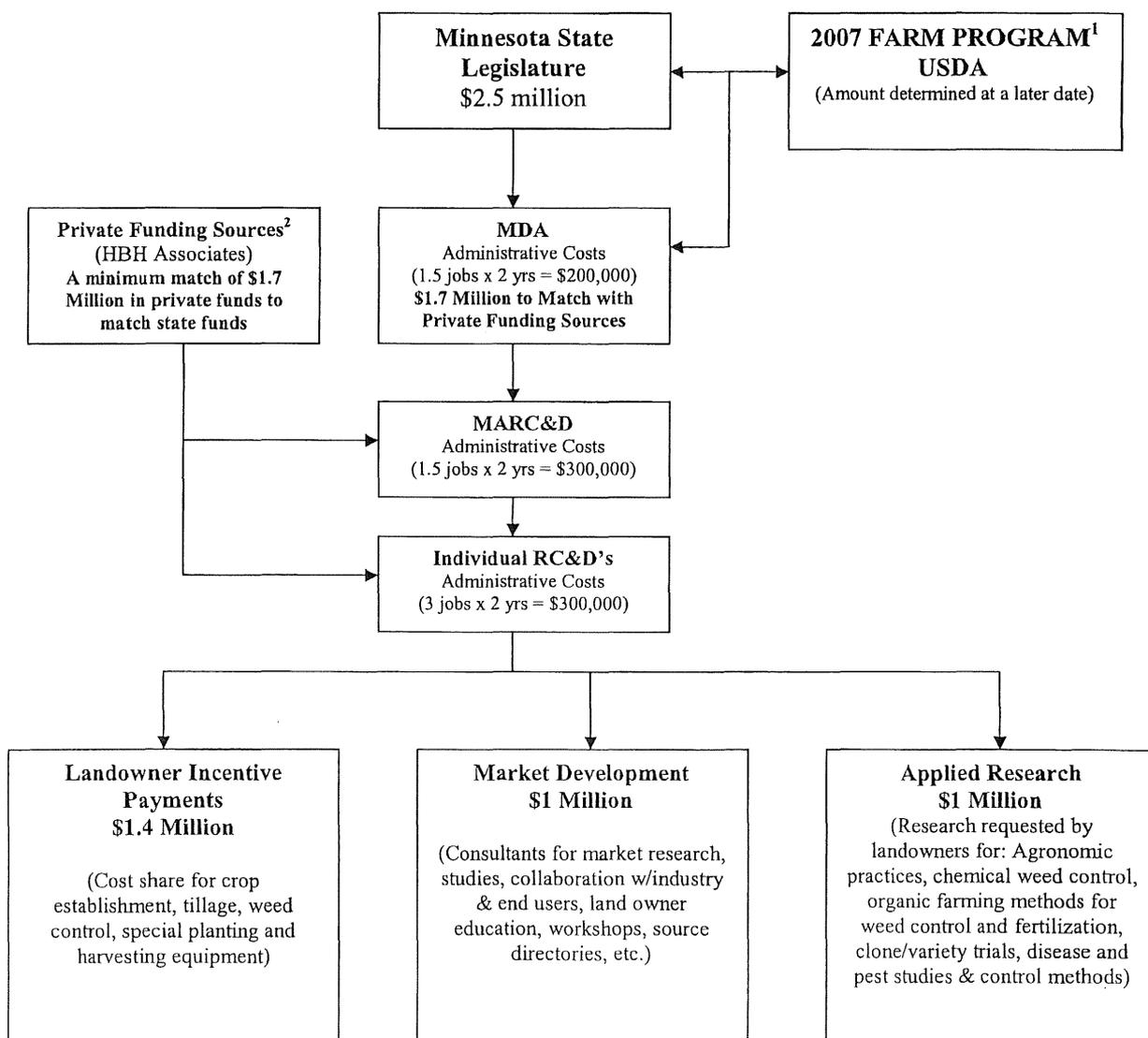
Approximate total match: \$11.7 million

**Overview of how the program works:**

The farmer has a need or desire to grow a new crop or is growing a new crop and needs marketing or research development. The farmer goes to his local Soil & Water Conservation District or Farm Service Agency and picks up a "Productive Conservation Producer Request for Service" form, fills it out asking for the appropriate service and returns it to the RC&D in his service area.

The local RC&D office works with the farmer to develop a needs assessment and create a project plan that is submitted to the Minnesota Association of RC&D's (MARC&D). The MARC&D meets with the Technical Advisory Panel (made up of members from: CINRAM, AURI, MDA, MARC&D, SWCD, etc.) and determines the project feasibility. The Technical Advisory Panel sends a recommendation to the MARC&D Executive Committee for final decision. If the project is accepted the MARC&D works with MDA, the fiscal agent, to release the funds to the MARC&D for distribution to the individual council working with the respective landowner's project. It is the responsibility of the individual RC&D council to make payments to the landowner and/or partners for market or research development. It is also the responsibility of the individual RC&D council to measure the success of goals and objectives in the project plan and to provide quarterly reports to MARC&D who in turn will report to MDA.

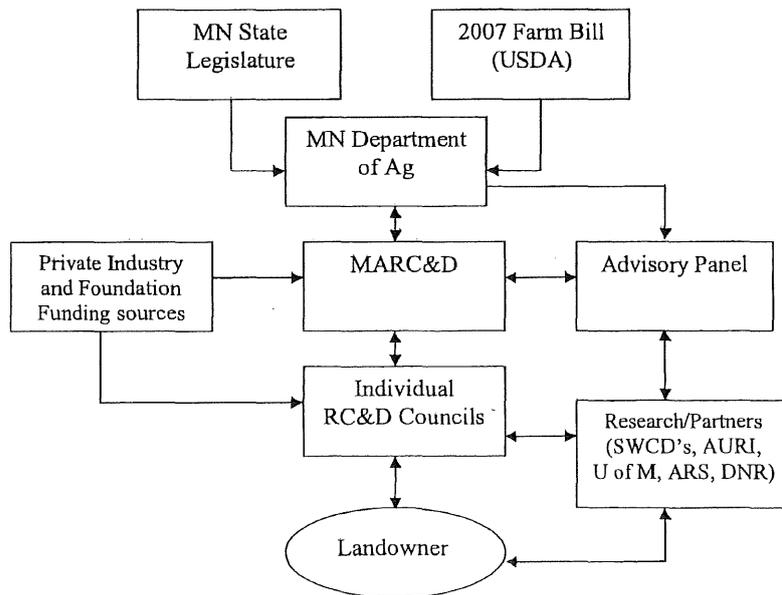
**Productive Conservation on Working Lands™  
Financial Flow Model  
2 Years**



<sup>1</sup>The amount being requested from the 2007 Farm Bill will be determined by MARC&D, MDA and Project Partners by the end of 2006.

<sup>2</sup>It is important to note that Minnesota RC&D's have a proven track record of matching the federal funds received by 17:1

## Productive Conservation on Working Lands™ Organizational Chart



## **Organizational Roles and Responsibilities:**

### **MN State Legislature:**

MN State Legislature provides funding (\$2.5 million) to the MN Department of Agriculture.

### **2007 Farm Program (USDA):**

The 2007 Farm Bill provides funding to the MN Department of Agriculture for the RC&D pilot program to develop productive conservation crops.

### **MN Department of Agriculture:**

The MN Department of Agriculture (MDA) receives funding from the MN State Legislature. The MDA will act as the Fiscal Manager of the funding for the Minnesota Association of RC&D's (MARC&D). This will provide checks and balance to ensure proper controls.

### **Private Industry and Foundation Funding Sources:**

HBH Associates and the MARC&D will work to provide matching funding (a minimum of \$1.7 million) from private industry, individuals and Foundations. Private Industry will assist in market development and applied research.

### **MARC&D:**

The MARC&D will provide leadership to the individual RC&D Councils, accept RFP's from the individual councils, work towards building a funds, receiving a pilot program from the 2007 Farm Bill, will maintain and grow the Productive Conservation Revolving Loan Fund (PCRLF) and seek additional funding from private sources to match state funding.

### **Productive Conservation Advisory Committee:**

The Productive Conservation Advisory Committee will consist of members from MDA, RC&D, U of M, ARS Soils Lab, Farmer groups, Ag Banks. This group will make recommendations to the MARC&D and will provide technical assistance to individual councils as needed. This committee will also make recommendations for the PCRLF.

### **Individual RC&D Councils:**

The individual RC&D councils will work directly with the producers/landowners. They will be responsible for submitting project plans (proposals) in response to MARC&D's RFP's as well as project updates. Individual RC&D's will be responsible for making landowner incentive payments, working with marketing professionals and researchers, private industry and others to ensure successful controls are in place. Individual RC&D's are also responsible for marketing the program and working to educate policy makers involved in the 2007 farm bill.

### **Landowner:**

The landowner is where the process starts. The landowner must have a need or desire to grow a productive conservation crop, a need for research and/or product development. The individual landowner will approach their local RC&D office to make a request for service.

### **Partners:**

The project partners (SWCD's, AURI, U of M, ARS, etc..) will respond to RFP's from individual RC&D Councils based on needs of the landowner, market demand, needed research, etc.

**Productive Conservation on Working Lands  
Producer/Landowner Request for Service**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Day time phone: \_\_\_\_\_ Evening Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Legal Description and acres of crop requested (if applicable) Please attach FSA Photo:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Are you the owner of this land? Yes or No If no: Provide evidence of long term farming operation on this land.

Name of crop: \_\_\_\_\_

Please X the type of assistance required (X all that apply):

- Crop Establishment payments to plant/grow crop.
- Research need/problem: Please explain: \_\_\_\_\_  
(please use space below for further clarification.)
- Marketing Assistance: Please explain: \_\_\_\_\_  
(please use space below for further clarification.)
- Technical Assistance: Please explain: \_\_\_\_\_  
(please use space below for further clarification.)

Explanation or further clarification: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

RC&D office Serving your area: \_\_\_\_\_

(see back for list of R&D areas and contact information)

Forward this request for assistance via fax or mail to the RC&D office serving your area. If you do not have an RC&D in your area, please contact the RC&D of your choice.

1.1 **Senator Vickerman from the Committee on Agriculture, Veterans and Gaming,**  
1.2 **to which was referred**

1.3 **S.F. No. 3201:** A bill for an act relating to appropriations; agriculture; appropriating  
money for productive conservation on working lands.

1.5 Reports the same back with the recommendation that the bill do pass and be  
1.6 re-referred to the Committee on Finance. Report adopted.

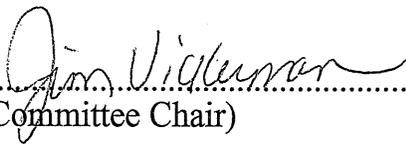
1.7   
1.8 (Committee Chair)

1.9 March 20, 2006 .....  
1.10 (Date of Committee recommendation)

1.1 **Senator Vickerman from the Committee on Agriculture, Veterans and Gaming,**  
1.2 **to which was referred**

1.3 **S.F. No. 3184:** A bill for an act relating to agriculture; establishing a beef cattle  
diagnostic team pilot project in nine counties; appropriating money.

1.5 Reports the same back with the recommendation that the bill do pass and be  
1.6 re-referred to the Committee on Finance. Report adopted.

1.7   
1.8 .....  
(Committee Chair)

1.9 March 20, 2006 .....  
1.10 (Date of Committee recommendation)

1.1 Senator ..... moves to amend S.F. No. 3283 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2004, section 18C.305, is amended by adding a  
1.4 subdivision to read:

1.5 Subd. 3. Exemption. A permit and safeguard is not required for a person who stores  
1.6 on the person's own property and for the person's own use no more than 6,000 gallons  
1.7 of liquid commercial fertilizer.

1.8 Sec. 2. [18C.70] MINNESOTA AGRICULTURAL FERTILIZER RESEARCH  
1.9 AND EDUCATION COUNCIL.

1.10 Subdivision 1. Establishment; membership. (a) The Minnesota Agricultural  
1.11 Fertilizer Research and Education Council is established. The council is composed of  
1.12 12 voting members as follows:

- 1.13 (1) two members of the Minnesota Crop Production Retailers;
- 1.14 (2) one member of the Minnesota Corn Growers Association;
- 1.15 (3) one member of the Minnesota Soybean Growers Association;
- 1.16 (4) one member of the sugar beet growers industry;
- 1.17 (5) one member of the Minnesota Association of Wheat Growers;
- 1.18 (6) one member of the potato growers industry;
- 1.19 (7) one member of the Minnesota Farm Bureau;
- 1.20 (8) one member of the Minnesota Farmers Union;
- 1.21 (9) one member from the Minnesota Irrigators Association;
- 1.22 (10) one member of the Minnesota Grain and Feed Association; and
- 1.23 (11) one member of the Minnesota Independent Crop Consultant Association or the  
1.24 Minnesota Certified Crop Advisor Program.

1.25 (b) Council members shall serve three-year terms. After the initial council is  
1.26 appointed, subsequent appointments must be staggered so that one-third of council  
1.27 membership is replaced each year. Council members must be nominated by their  
1.28 organizations and appointed by the commissioner. The council may add ex officio,  
1.29 nonvoting members at its discretion. The council shall meet at least once per year, with all  
1.30 related expenses reimbursed by members' sponsoring organizations or by the members  
1.31 themselves.

1.32 Subd. 2. Powers and duties. The council shall review applications and select  
1.33 projects to receive agricultural fertilizer research and education program grants, as  
1.34 authorized in section 18C.71. The council shall establish a program to provide grants to  
1.35 research, education, and technology transfer projects related to agricultural fertilizer, soil

2.1 amendments, and plant amendments. For the purpose of this section, "fertilizer" includes  
2.2 soil amendments and plant amendments. The department shall act as the fiscal agent in  
2.3 charge of collecting fees, distributing program funds, and otherwise administering the  
2.4 program.

2.5 Subd. 3. **Checkoff fees.** Any person, whether in Minnesota or elsewhere, that  
2.6 sells fertilizer to producers must collect a checkoff of 40 cents per ton of fertilizer sold  
2.7 and forward the checkoff funds at least semi-annually to the commissioner along with  
2.8 forms provided by the commissioner. For the purposes of this section, a producer means  
2.9 any person who owns or operates an agricultural producing or growing facility for an  
2.10 agricultural commodity and shares in the profits and risk of loss from such operation, and  
2.11 who grows, raises, feeds or produces the agricultural commodity in Minnesota during the  
2.12 current or preceding calendar year.

2.13 Subd. 4. **Program account.** There is established in the state treasury an agricultural  
2.14 fertilizer research and education program account in the agricultural fund. The checkoff  
2.15 funds raised pursuant to this section must be deposited in the account. Money in the  
2.16 account, including interest earned, is appropriated to the commissioner to carry out the  
2.17 program and to refund checkoff funds as described in subdivision 5.

2.18 Subd. 5. **Refunds.** Any producer may, by use of forms provided by the  
2.19 commissioner, and upon presentation of such proof as the commissioner requires, have  
2.20 the checkoff fee refunded, provided the checkoff fee was remitted in a timely basis. The  
2.21 producer must submit annual refund requests to the commissioner ~~between January 1 and~~  
2.22 February 28 for checkoff fees paid in the previous calendar year.

2.23 Subd. 6. **Rules.** The commissioner's duties under this section and section 18C.71  
2.24 are not subject to the provisions of chapter 14.

2.25 Subd. 7. **Penalty for violations.** Any person or producer who violates any provision  
2.26 of subdivision 3 is guilty of a misdemeanor. Any person who fails to make collections,  
2.27 remit checkoff fees or pay checkoff fees, or who files falsified checkoff submittal forms,  
2.28 shall be liable to the council for the amount due, plus a penalty of 100 percent of the  
2.29 amount due, plus one percent of the amount for each month of delay. If satisfied that the  
2.30 delay was excusable, the council may return all or any part of the penalty. Penalties shall  
2.31 be paid to the council and disposed of as provided with respect to other money collected  
2.32 under this section.

2.33 Subd. 8. **Expiration.** This section expires on January 8, 2017.

3.1 Sec. 3. **[18C.71] MINNESOTA AGRICULTURAL FERTILIZER RESEARCH**  
3.2 **AND EDUCATION PROGRAM.**

3.3 Subdivision 1. Eligible projects. Eligible project activities include research,  
3.4 education, and technology transfer related to the production and application of fertilizer,  
3.5 soil amendments, and other plant amendments. Chosen projects must contain a component  
3.6 of outreach that achieves a timely dissemination of findings and their applicability to the  
3.7 production agricultural community.

3.8 Subd. 2. Awarding of program grants. Applications for program grants shall  
3.9 be submitted in the form prescribed by the Minnesota Agricultural Fertilizer Research  
3.10 and Education Council. Applications must be submitted on or before the deadline  
3.11 prescribed by the council. All applications are subject to a thorough in-state review by a  
3.12 peer committee established and approved by the council. Each project meeting the basic  
3.13 qualifications is subject to a yes or no vote by each council member. Projects chosen  
3.14 to receive funding must achieve an affirmative vote by at least eight of the 12 council  
3.15 members. Projects awarded program funds must submit an annual progress report in the  
3.16 form prescribed by the council.

3.17 Subd. 3. Annual audit. The program must have an annual audit of financial  
3.18 activities, which the council must file with the commissioner on or before June 1 for the  
3.19 immediately preceding year ending December 31.

3.20 Subd. 4. Expiration. This section expires January 8, 2017.

3.21 Sec. 4. **EFFECTIVE DATE.**

3.22 Sections 1 to 3 are effective January 1, 2007."

3.23 Amend the title accordingly

Senators Skoe and Stumpf introduced-

S.F. No. 3184: Referred to the Committee on Agriculture, Veterans and Gaming.

1.1 A bill for an act  
1.2 relating to agriculture; establishing a beef cattle diagnostic team pilot project in  
1.3 nine counties; appropriating money.

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

1.5 Section 1. **BEEF CATTLE DIAGNOSTIC TEAM PILOT PROJECT;**  
1.6 **APPROPRIATION.**

1.7 \$245,000 is appropriated from the general fund to the commissioner of agriculture  
1.8 for a contract with the Northland Community and Technical College for a pilot one-on-one  
1.9 educational delivery team system to provide appropriate technologies to enhance the  
1.10 financial success and long-term sustainability of beef cattle farms. The nine pilot  
1.11 counties for the program are Beltrami, Clearwater, Kittson, Lake of the Woods, Marshall,  
1.12 Pennington, Polk, Red Lake, and Roseau. The teams must consist of farm business  
1.13 management instructors, beef cattle extension specialists, and beef industry partners to  
1.14 deliver the informational and technological services. As a part of the pilot program, the  
1.15 delivery teams shall coordinate animal identification and disease testing activities with  
1.16 the Board of Animal Health and the University of Minnesota beef team. Delivery teams  
1.17 established under this appropriation must provide quarterly reports to the commissioner on  
1.18 the teams' activities and services provided to beef cattle farms in the pilot counties. Not  
1.19 later than February 1, 2007, the commissioner shall provide a report on the progress and  
1.20 effectiveness of the pilot program to the senate and house committees having jurisdiction  
1.21 over agricultural policy and finance.

Senators Sams, Kubly, Vickerman, Dille and Koering introduced—

S.F. No. 3201: Referred to the Committee on Agriculture, Veterans and Gaming.

1.1 A bill for an act  
1.2 relating to appropriations; agriculture; appropriating money for productive  
1.3 conservation on working lands.

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

1.5 Section 1. APPROPRIATION.

1.6 \$2,500,000 is appropriated from the general fund to the commissioner of agriculture  
1.7 for productive conservation on working lands. The resource conservation and development  
1.8 program in Minnesota and the Department of Agriculture will develop and deliver an  
1.9 alternative agricultural program including infrastructure needed to secure private and  
1.10 federal funding. This initiative will provide defined economic, environmental, and social  
1.11 benefits to Minnesota and the nation through crop establishment payments, market  
development, on-farm research, technical assistance, and outreach for nontraditional  
1.13 conservation and renewable energy crops.

1.14 Sec. 2. EFFECTIVE DATE.

1.15 Section 1 is effective the day following final enactment.

1.1 Senator ..... moves to amend S.F. No. 3283 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2004, section 18C.305, is amended by adding a  
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1.6 on the person's own property and for the person's own use no more than 6,000 gallons  
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1.19 (7) one member of the Minnesota Farm Bureau;

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3.18 activities, which the council must file with the commissioner on or before June 1 for the  
3.19 immediately preceding year ending December 31.

3.20       Subd. 4. Expiration. This section expires January 8, 2017.

3.21       Sec. 4. **EFFECTIVE DATE.**

3.22       Sections 1 to 3 are effective January 1, 2007."

3.23       Amend the title accordingly