

1.1 **Senator Rosen from the Committee on Finance, to which was referred**

1.2 **H.F. No. 3420:** A bill for an act relating to drought relief; modifying the disaster recovery
1.3 loan program; increasing funding for agricultural drought relief loans; appropriating money
1.4 for drought relief grants and other financial assistance for eligible farmers; providing financial
1.5 assistance to municipalities, townships, and Tribal governments for increasing water
1.6 efficiency in public water supplies; providing grants for planting shade trees and purchasing
1.7 tree-watering equipment; providing financial assistance to replace drought-killed seedlings;
1.8 appropriating money; amending Minnesota Statutes 2020, section 41B.047, subdivision 3.

1.9 Reports the same back with the recommendation that the bill be amended as follows:

1.10 Delete everything after the enacting clause and insert:

1.11 "Section 1. **DROUGHT RELIEF; APPROPRIATION.**

1.12 (a) \$7,000,000 in fiscal year 2022 is appropriated from the general fund to the
1.13 commissioner of agriculture for the purpose of providing grants and other forms of financial
1.14 assistance to livestock farmers and specialty crop producers impacted by the drought in
1.15 2021. For purposes of this section, "specialty crop" means an eligible crop under the United
1.16 States Department of Agriculture's specialty crop block grant program. Of the amount
1.17 appropriated in this paragraph:

1.18 (1) \$5,500,000 is for livestock farmers; and

1.19 (2) \$1,500,000 is for livestock farmers or specialty crop producers. Of the amount
1.20 appropriated in this clause, up to \$100,000 may be used to reimburse livestock farmers for
1.21 expenses not reimbursed through the United States Department of Agriculture Emergency
1.22 Assistance for Livestock, Honey Bees, and Farm-raised Fish (ELAP) program, at a rate of
1.23 \$6.60 per mile used in obtaining or transporting feed or feed ingredients up to 25 miles to
1.24 and from the farm.

1.25 The commissioner may issue payments of up to \$5,000 on a first-come, first-served,
1.26 noncompetitive basis. Eligible producers must be located in counties that were designated
1.27 as a primary natural disaster area by the United States Department of Agriculture between
1.28 July 20, 2021, and December 31, 2021. Beginning January 10, 2023, and annually thereafter
1.29 until January 10, 2025, the commissioner must report on the utilization of the grants under
1.30 this paragraph to the legislative committees with jurisdiction over agriculture finance. The
1.31 report must include a breakdown of grants by type of farm, either livestock or specialty
1.32 crop, and by county. Any unencumbered balance at the end of the year does not cancel and
1.33 is available until June 30, 2024. This is a onetime appropriation.

1.34 (b) \$1,500,000 in fiscal year 2022 is appropriated from the general fund to the Rural
1.35 Finance Authority revolving loan account established under Minnesota Statutes, section

2.1 41B.06, for drought relief loans under Minnesota Statutes, section 41B.047. If this
 2.2 appropriation exceeds the total amount for which all farmers are eligible in a fiscal year,
 2.3 the balance of the appropriation is available for other programs eligible for funding under
 2.4 the Rural Finance Authority's revolving loan account. Beginning January 10, 2023, and
 2.5 annually thereafter until January 10, 2025, the commissioner must report activities and
 2.6 expenditures under this paragraph to the legislative committees and divisions with jurisdiction
 2.7 over agriculture finance. Any unencumbered balance at the end of the year does not cancel
 2.8 and is available until June 30, 2024. This is a onetime appropriation.

2.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.10 Sec. 2. **APPROPRIATION; VETERINARY DISEASE TESTING EQUIPMENT.**

2.11 \$1,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
 2.12 of agriculture for a grant to the Board of Regents of the University of Minnesota to purchase
 2.13 equipment for the Veterinary Diagnostic Laboratory to test for chronic wasting disease,
 2.14 African swine fever, avian influenza, and other animal diseases. The Veterinary Diagnostic
 2.15 Laboratory must report expenditures under this section to the legislative committees with
 2.16 jurisdiction over agriculture finance and higher education with an initial report completed
 2.17 by January 3, 2023, and a final report by September 1, 2023. The reports must include a list
 2.18 of equipment purchased including the cost of each item. This is a onetime appropriation
 2.19 that is available until June 30, 2023.

2.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.21 Sec. 3. **APPROPRIATION; AGRICULTURAL EMERGENCY ACCOUNT.**

2.22 (a) \$500,000 in fiscal year 2023 is transferred from the general fund to the agricultural
 2.23 emergency account in the agricultural fund under Minnesota Statutes, section 17.041. This
 2.24 is a onetime transfer.

2.25 (b) Notwithstanding Minnesota Statutes, section 17.041, the commissioner may spend
 2.26 money from the agricultural emergency account for the purposes of avian influenza testing
 2.27 supplies, including but not limited to poultry drinking water tests. This paragraph expires
 2.28 on December 31, 2022."

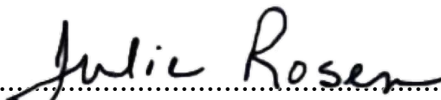
2.29 Delete the title and insert:

2.30 "A bill for an act

2.31 relating to agriculture; appropriating money for grants and financial assistance to
 2.32 livestock farmers and speciality crop producers impacted by drought; appropriating
 2.33 money to the Rural Finance Authority revolving loan account for drought relief;

3.1 appropriating money for veterinary diagnostic laboratory equipment; appropriating
3.2 money for transfer to the agricultural emergency account."

3.3 And when so amended the bill do pass. Amendments adopted. Report adopted.

3.4 
3.5
(Committee Chair)

3.6 March 22, 2022.....
3.7 (Date of Committee recommendation)