

S.F. No. 4019 – Minnesota Department of Agriculture

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Article 1 – Agriculture Appropriations

Article 1 makes appropriations to the Minnesota Department of Agriculture for fiscal year 2023. Detail for these appropriations can be found in the spreadsheet titled “Governor’s Revised Recs and SF 4019” prepared by Hannah Grunewald of Senate Counsel, Research, and Fiscal Analysis (attached).

Article 2 – Broadband Appropriation

Section 1 appropriates \$170,000,000 from the general fund in fiscal year 2023 to the Minnesota Department of Employment and Economic Development for the border-to-border broadband fund account under Minnesota Statutes, section 116J.396. This is a onetime appropriation to be used for the border-to-border grant program.

Article 3 – Board of Water and Soil Resources Appropriation

Section 1 [103F.49] establishes a soil health cost-share program with the Board of Water and Soil Resources.

Section 2 appropriates \$17,000,000 from the general fund in fiscal year 2023 to the Board of Water and Soil Resources to accelerate the adoption of soil health practices. The appropriation is available until expended and has a base appropriation of \$4,500,000 in fiscal year 2024 and thereafter.

Article 4 – Agriculture Statutory Changes

Section 1 (17.041) amends the agricultural emergency account to allow funds to be spent on preparedness.

Section 2 [17.1016] allows the commissioner to establish and implement a grant program to support cooperatives.

Sections 3 - 7 amend the Agriculture Best Management Practices Loan Program.

Section 3 (17.117, subdivision 9) allows the commissioner to rescind uncommitted allocations.

Section 4 (17.117, subd. 9a) removes the requirement for local government entities to identify which account funds a project.

Section 5 (17.117, subd. 10) removes the requirement for the local lender to notify local government after loan closing.

Section 6 (17.117, subd. 11) removes the maximum loan stipulation of \$200,000.

Section 7 (17.117, subd. 11a) changes the eligibility for water projects.

Sections 8-10 amend the livestock investment grant program.

Section 8 (17.118, subd. 1) lowers the amount of qualifying purchases and removes the maximum award amount.

Section 9 (17.118, subd. 3) removes the maximum grant amount.

Section 10 (17.118, subd. 4) removes the requirement for the commissioner to have a waiting list.

Section 11 [17.994] establishes a soil health financial assistance program.

Section 12 (41A.21, subd. 2) changes the eligibility for the oriented strand board (OSB) production incentive.

Section 13 (41A.21, subd. 6) adds a paragraph to the appropriation for the OSB production incentive to allow 6.5% to be used to cover program administration costs.

Section 14 (41B.047, subd. 3) lowers the level of eligibility for the disaster recovery loan program.

Section 15 (223.17, subd. 7) removes the requirement for producers to file a breach of contract claim within 180 days for grain purchases.

Section 16 (223.17, subd. 7a) changes the statute reference for bond requirements and claims for grain sales. The new section referenced is in Section 19 of this bill.

Section 17 (223.175) changes the statement that must be included in each grain sales contract.

Section 18 (223.19) gives the commissioner the authority to make rules for the new provisions in section 19.

Section 19 [223.24] establishes a grain indemnity account and describes how it would be used.

Section 20 (232.22, subd. 5) removes the requirement for public grain warehouse operators to file an annual report.

Section 21 repeals statutes relating to grain sales bonds.

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	A	B			C			D			E		
(All dollars in thousands)		Governor Supplemental Budget - Revised			Governor Supplemental Budget - Revised			SF 4019			SF 4019		
	Fund	FY2022	FY2023	FY22-23	FY2024	FY2025	FY24-25	FY2022	FY2023	FY22-23	FY2024	FY2025	FY24-25
1 MINNESOTA DEPARTMENT OF AGRICULTURE (MDA)													
2 MDA - General Fund													
3 Noxious Weed Grants	GEN	-	1,000	1,000	-	-	-	-	1,000	1,000	-	-	-
4 Grain Indemnity Fund (TR OUT)	GEN	-	5,000	5,000	-	-	-	-	5,000	5,000	-	-	-
5 Increased Resources for USDA Equivalent Meat Testing	GEN	-	100	100	50	50	100	-	100	100	50	50	100
6 Food System Resiliency: Forever Green Initiative	GEN	-	3,000	3,000	-	-	-	-	3,000	3,000	-	-	-
7 Healthy Soil Program	GEN	-	10,000	10,000	1,000	1,000	2,000	-	10,000	10,000	1,000	1,000	2,000
8 Farm Safety Grants Amendment	GEN	(10)	10	-	-	-	-	(10)	10	-	-	-	-
9 Farmers Market and Direct Marketing Support	GEN	-	1,500	1,500	-	-	-	-	1,500	1,500	-	-	-
10 Waste Prevention and Sustainable Packaging Financial Assistance	GEN	-	150	150	-	-	-	-	150	150	-	-	-
11 AGRI: Livestock Processing Facilities Grants	GEN	-	3,000	3,000	-	-	-	-	3,000	3,000	-	-	-
12 AGRI: New Markets Cost Share (E-Commerce)	GEN	-	250	250	125	125	250	-	250	250	125	125	250
13 AGRI: Meat Processing: Employee Recruitment and Retention Incentives	GEN	-	1,500	1,500	750	750	1,500	-	1,500	1,500	750	750	1,500
14 AGRI: Food Retailer Improvement Assistance	GEN	-	1,000	1,000	250	250	500	-	1,000	1,000	250	250	500
15 AGRI: Minnesota Copacking Grants	GEN	-	250	250	125	125	250	-	250	250	125	125	250
16 AGRI: Farm Business Management	GEN	-	300	300	100	100	200	-	300	300	100	100	200
17 AGRI: Food and Agriculture Systems Planning Grants	GEN	-	500	500	250	250	500	-	500	500	250	250	500
18 Services to Immigrant and BIPOC Producers and Businesses	GEN	-	2,000	2,000	-	-	-	-	2,000	2,000	-	-	-
19 Information Technology Modernization	GEN	-	2,000	2,000	-	-	-	-	2,000	2,000	-	-	-
20 Animal Disease Preparedness and Response: Ag Emerg Fund (TR OUT)	GEN	-	1,500	1,500	-	-	-	-	1,500	1,500	-	-	-
21 Hunger Relief: Second Harvest Heartland	GEN	-	3,000	3,000	1,000	1,000	2,000	-	3,000	3,000	1,000	1,000	2,000
22 Meat Processing: Technical Program	GEN	-	2,000	2,000	250	250	500	-	2,000	2,000	250	250	500
23 The Good Acre LEAFF Program	GEN	-	1,000	1,000	250	250	500	-	1,000	1,000	250	250	500
24 Drought Relief: Rural Finance Authority	GEN	5,000	-	5,000	-	-	-	-	-	-	-	-	-
25 Drought Relief: Rapid Response Grants	GEN	5,000	-	5,000	-	-	-	-	-	-	-	-	-
26 Legalizing Adult-Use Cannabis	GEN	-	935	935	1,779	1,483	3,262	-	-	-	-	-	-
27 Agricultural Mental Health Specialists	GEN	-	22	22	22	22	44	-	-	-	-	-	-
28 Ag Innovation Campus Administration	GEN	-	1,500	1,500	-	-	-	-	-	-	-	-	-
29 Beginning Farmer Tax Credit Infrastructure	GEN	-	141	141	56	-	56	-	-	-	-	-	-
30 MDA - GEN TOTAL	GEN	9,990	41,658	51,648	6,007	5,655	11,662	(10)	39,060	39,050	4,150	4,150	8,300
31 MDA - Non General Fund													
33 Legalizing Adult-Use Cannabis	AG	-	40	40	1,247	1,664	2,911	-	-	-	-	-	-
34 Animal Disease Preparedness and Response: Ag Emerg Fund	AG	-	1,500	1,500	-	-	-	-	1,500	1,500	-	-	-
35 Grain Indemnity Fund	AG	-	1,429	1,429	1,429	1,429	2,858	-	1,429	1,429	1,429	1,429	2,858
36 AgBMP Eligibility Expansion	RFA	-	8	8	-	-	-	-	8	8	-	-	-
37 MDA - Non General Fund TOTAL		-	2,977	2,977	2,676	3,093	5,769	-	2,937	2,937	1,429	1,429	2,858
38													

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	Fund	FY2022	FY2023	FY22-23	FY2024	FY2025	FY24-25	FY2022	FY2023	FY22-23	FY2024	FY2025	FY24-25
39 CANNABIS MANAGEMENT OFFICE (CMO)													
40 CMO; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	7,595	7,595	7,659	7,395	15,054	-	-	-	-	-	-
41													
42 CMO; Legalizing Adult-Use Cannabis - NON GEN TOTAL	SR	-	6,011	6,011	4,433	5,753	10,186	-	-	-	-	-	-
43													
44 BOARD OF ANIMAL HEALTH													
45 Board of Animal Health - TOTAL	GEN	-	-	-	-	-	-	-	-	-	-	-	-
46													
47 AURI													
48 AURI - TOTAL	GEN	-	-	-	-	-	-	-	-	-	-	-	-
49													
50 DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT (DEED)													
51 DEED - General Fund	GEN												
52 Office of Broadband; Broadband Development (TR OUT)	GEN	-	170,000	170,000	-	-	-	-	170,000	170,000	-	-	-
53 Legalizing Adult-Use Cannabis	GEN	-	6,229	6,229	7,941	2,997	10,938	-	-	-	-	-	-
54 DEED - GEN TOTAL	GEN	-	176,229	176,229	7,941	2,997	10,938	-	170,000	170,000	-	-	-
55													
56 DEED - Non General Fund													
57 Broadband Development	SR	-	170,000	170,000	-	-	-	-	170,000	170,000	-	-	-
58 DEED- Non General Fund TOTAL	SR	-	170,000	170,000	-	-	-	-	170,000	170,000	-	-	-
59													
60 BOARD OF WATER AND SOIL RESOURCES													
61 Healthy Soil Program (tracked in Environment Jurisdiction) - GEN TOTAL	GEN	-	-	-	-	-	-	-	[17,000]	[17,000]	[4,500]	[4,500]	[9,000]
62													
63 MINNESOTA DEPARTMENT OF EDUCATION (MDE)													
64 MDE; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	59	59	29	29	58	-	-	-	-	-	-
65													
66 OFFICE OF HIGHER EDUCATION (OHE)													
67 OHE; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	500	500	500	500	1,000	-	-	-	-	-	-
68													
69 MINNESOTA DEPARTMENT OF HUMAN SERVICES (DHS)													
70 DHS; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	1,354	1,354	5,352	5,352	10,704	-	-	-	-	-	-
71													
72 MINNESOTA DEPARTMENT OF HEALTH (MDH)													
73 MDH; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	9,951	9,951	8,452	8,296	16,748	-	-	-	-	-	-
74													
75 MDH - Non General Fund													

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(All dollars in thousands)		Fund	FY2022	FY2023	FY22-23	FY2024	FY2025	FY24-25	FY2022	FY2023	FY22-23	FY2024	FY2025	FY24-25
76	Legalizing Adult-Use Cannabis	SR	-	-	-	(3,424)	(3,424)	(6,848)						
77	Legalizing Adult-Use Cannabis (TR OUT)	SR	-	3,139	3,139	-	-	-						
78	MDH; Legalizing Adult-Use Cannabis - NON GEN TOTAL	SR	-	3,139	3,139	(3,424)	(3,424)	(6,848)	-	-	-	-	-	-
79														
80	SUPREME COURT													
81	Supreme Court; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	545	545	545	-	545	-	-	-	-	-	-
82														
83	MINNESOTA DEPARTMENT OF CORRECTIONS (DOC)													
84	DOC; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	(177)	(177)	(345)	(407)	(752)	-	-	-	-	-	-
85														
86	MINNESOTA DEPARTMENT OF PUBLIC SAFETY (DPS)													
87	DPS; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	3,583	3,583	4,196	4,766	8,962	-	-	-	-	-	-
88														
89	DPS; Legalizing Adult-Use Cannabis - NON GEN TOTAL	Trunk Highway	-	3,621	3,621	1,443	1,443	2,886	-	-	-	-	-	-
90														
91	CANNABIS EXPUNGEMENT BOARD													
92	Cannabis Expungement Board; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	921	921	844	844	1,688	-	-	-	-	-	-
93														
94	MINNESOTA DEPARTMENT OF POLLUTION CONTROL AGENCY (PCA)													
95	PCA; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	538	538	513	67	580	-	-	-	-	-	-
96														
97	DEPARTMENT OF NATURAL RESOURCES (DNR)													
98	DNR; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	299	299	-	-	-	-	-	-	-	-	-
99														
100	DEPARTMENT OF COMMERCE													
101	Commerce; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	63	63	230	452	682	-	-	-	-	-	-
102														
103	DEPARTMENT OF LABOR AND INDUSTRY (DOLI)													
104	DOLI; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	121	121	121	121	242	-	-	-	-	-	-
105														
106	DEPARTMENT OF REVENUE (DOR)													
107	DOR; Legalizing Adult-Use Cannabis - GEN TOTAL	GEN	-	4,294	4,294	4,011	4,031	8,042	-	-	-	-	-	-
108														
109	SUMMARY													
110	Agriculture - GEN TOTAL	GEN	9,990	247,533	257,523	46,055	40,098	86,153	(10)	209,060	209,050	4,150	4,150	8,300

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	Fund	FY2022	FY2023	FY22-23	FY2024	FY2025	FY24-25	FY2022	FY2023	FY22-23	FY2024	FY2025	FY24-25
111 Revenue Adjustments: General Fund													
112 Legalizing Adult-Use Cannabis - Non Tax	GEN	-	-	-	854	1,109	1,963	-	-	-	-	-	-
113 Legalize Cannabis Sales and Gross Receipts Tax - Sales Tax	GEN	-	-	-	14,700	49,200	63,900	-	-	-	-	-	-
114													
115 Agriculture - GEN NET TOTAL	GEN	9,990	247,533	257,523	30,501	(10,211)	20,290	(10)	209,060	209,050	4,150	4,150	8,300
116													
117 Agriculture - NON GEN TOTAL		-	185,748	185,748	5,128	6,865	11,993	-	172,937	172,937	1,429	1,429	2,858
118 Revenue Adjustments: Non General Fund													
119 Grain Indemnity Fund	AG	-	10,150	10,150	412	381	793	-	10,150	10,150	412	381	793
120 Legalizing Adult-Use Cannabis	AG	-	141	141	770	1,142	1,912	-	-	-	-	-	-
121													
122 Net Loan Activity: Non General Fund													
123 AgBMP Eligibility Expansion	RFA	-	8	8	-	-	-	-	8	8	-	-	-
124													
125 Agriculture - NON GEN NET TOTAL		-	175,449	175,449	3,946	5,342	9,288	-	162,779	162,779	1,017	1,048	2,065
126													
127 Transfer: OUT													
128 Animal Disease Preparedness and Response: Ag Emerg Fund	GEN	-	(1,500)	(1,500)	-	-	-	-	(1,500)	(1,500)	-	-	-
129 Grain Indemnity Fund	GEN	-	(5,000)	(5,000)	-	-	-	-	(5,000)	(5,000)	-	-	-
130 Broadband Development	GEN	-	(170,000)	(170,000)	-	-	-	-	(170,000)	(170,000)	-	-	-
131 Legalizing Adult-Use Cannabis	SR	-	(1,799)	(1,799)	-	-	-	-	-	-	-	-	-
132													
133 Transfer: IN													
134 Animal Disease Preparedness and Response: Ag Emerg Fund	AG	-	1,500	1,500	-	-	-	-	1,500	1,500	-	-	-
135 Grain Indemnity Fund	AG	-	5,000	5,000	-	-	-	-	5,000	5,000	-	-	-
136 Broadband Development	SR	-	170,000	170,000	-	-	-	-	170,000	170,000	-	-	-
137 Legalizing Adult-Use Cannabis	SR	-	1,799	1,799	-	-	-	-	-	-	-	-	-