



Department Overview

Thom Petersen | Commissioner

January 11, 2023

Agriculture's Contributions to Our Economy

Minnesota's ag industry:

- 67,400 farms
 - Average size of 377 acres
- Generates \$105.6 billion in sales
- \$13.1 billion crop sector
- \$8.91 billion livestock sector
- \$9.2 billion in exports
- Supports more than 388,000 jobs

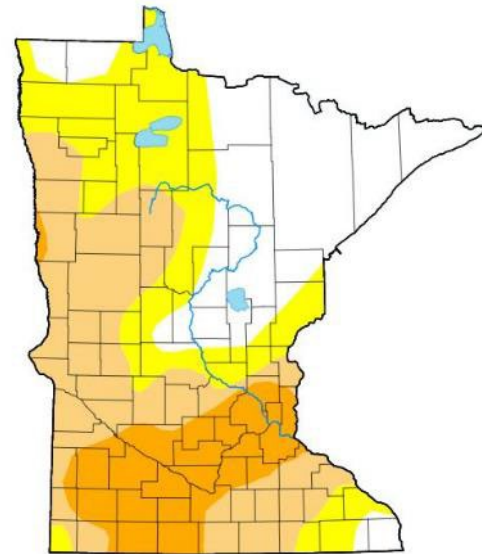
Agriculture's Contributions to Our Economy

We rank in the top 10 in more than 20 agricultural products:

- #1 in turkeys raised, sugar beets
- #2 in hogs, dry beans
- #3 in oats, soybeans, spring wheat, sunflowers
- #4 in corn, total value of ag exports
- #5 in meat animals, crop production, total ag production
- #7 in livestock production, dairy cows, honey

Challenges & Trends in Agriculture

- Drought
- Avian influenza outbreak
 - 110 affected sites – 4.2 million birds
- Emerging farmers & land access
- Input costs & supply chain
 - Fertilizer
 - Seed
 - Labor
 - Trucking & transportation



Map released: Thurs. December 29,
2022

Data valid: December 27, 2022 at 7 a.m. EST

Intensity

None
D0 (Abnormally Dry)
D1 (Moderate Drought)
D2 (Severe Drought)
D3 (Extreme Drought)
D4 (Exceptional Drought)
No Data

Authors

United States and Puerto Rico Author(s):

Richard Heim, NOAA/NCEI

Pacific Islands and Virgin Islands Author(s):

Denise Gutzmer, National Drought Mitigation Center

Minnesota Department of Agriculture

"Our mission is to enhance all Minnesotans' quality of life by equitably ensuring the integrity of our food supply, the health of our environment, and the strength and resilience of our agricultural economy."

Minnesota Department of Agriculture

Our 515 employees provide many services that impact Minnesota residents every day:

- We promote Minnesota farm products in local, state, national, and international markets.
- We respond to diseases and pests that threaten agriculture and natural resources.
- We inspect all grocery stores and convenience stores, as well as all dairy farms and processing plants.
- We regulate feed mills and fertilizer plants.

Minnesota Department of Agriculture

We have two main areas of responsibility:

- We are the primary state agency responsible for protecting the state's food supply and a key player in protecting the state's natural resources.
- We are the primary agency responsible for supporting and promoting the state's ag industry and economy.

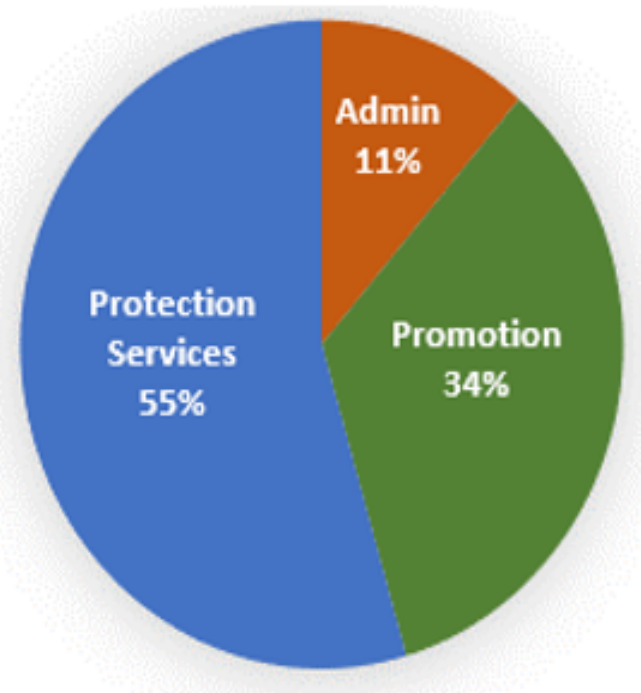
We carry out our responsibilities through our main program areas:

- Agricultural Marketing and Development
- Dairy and Meat Inspection
- Food and Feed Safety
- Laboratory Services
- Pesticide and Fertilizer Management
- Plant Protection
- Rural Finance Authority

FY2022-23 Funding Sources

MDA FY2022-23 Funding Sources by Use and Budget Activity

MDA's mission is to enhance Minnesotans' quality of life by equitably ensuring the integrity of our food supply, the health of our environment, and the strength and resilience of our agricultural economy.



Pesticide and Fertilizer Management	\$ 74.9	million
Plant Protection	\$ 19.8	million
Laboratory Services	\$ 21.8	million
Food and Feed Safety	\$ 26.1	million
Dairy and Meat Inspection	\$ 14.2	million
Agricultural Marketing and Development	\$ 19.7	million
Agricultural Advancement Programs	\$ 53.9	million
Grants and Assistance	\$ 24.5	million
Agency Services	\$ 32.7	million
Total	\$287.6	million

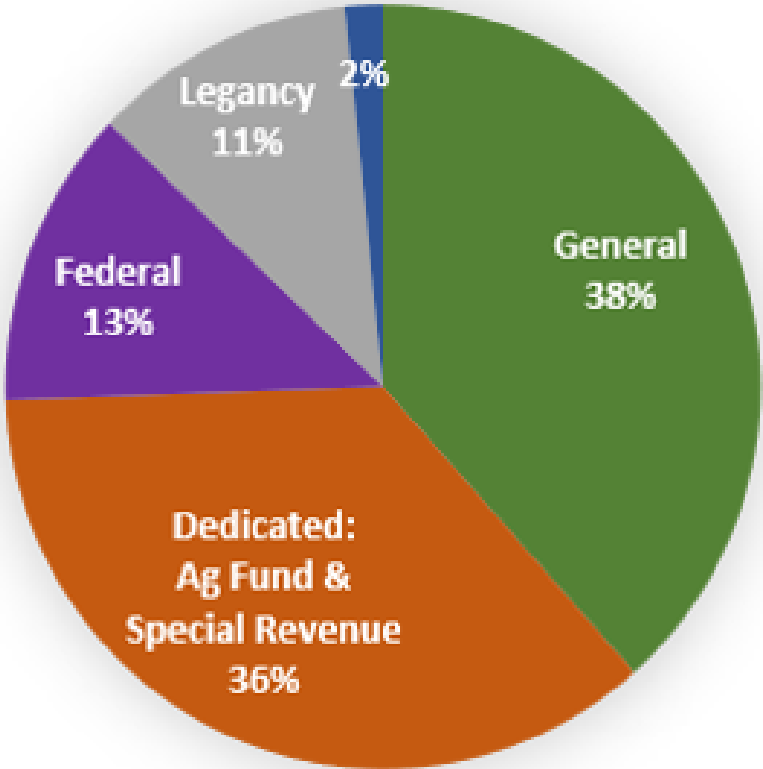
FY2022-23 Funding Sources

MDA FY2022-23 Expenditures by Fund

\$4.6 million
remediation funding

\$32.5 million
legacy funding

\$36.4 million
federal funding



\$110.5 million
general fund

\$103.6 million
fees paid by customers



Ag Marketing & Development

Ag Marketing & Development

What we do:

- Focusing on “...the strength and resilience of our agricultural economy.”
- AMDD is a non-regulatory division offering a wide range of programs, technical expertise, and financial assistance
- Market development & promotion
- Bio-based products: biofuels & renewable chemicals
- Ag land preservation
- Ag literacy
- Farm safety, health, and wellness
- Special projects: drought relief, aquaculture report



Ag Marketing & Development

How we do this:

- Financial Assistance through Agricultural Growth, Research and Innovation Program (AGRI)
 - Biofuels Infrastructure Grants, Value-Added Grants, Livestock Investment Grants
- Collaboration
 - Advisory committees for Minnesota Grown, Good Food Access Program, and the New Markets Program, Biodiesel Task Force, Organic Advisory Task Force, MN Agriculture in the Classroom Foundation, external grant reviewers
- Market development activities
 - Trade missions, hosting international buyers, national and international tradeshows, online Minnesota Grown directory, wholesale directory for schools, restaurants and grocers





Dairy & Meat Inspection

Dairy & Meat Inspection

What we do:

- Ensure the safety of the food supply by conducting regulatory-based inspection work for dairy, meat, poultry, and egg products
- Ensure dairy and meat products and our associated regulatory programs meet the standards necessary for commerce
 - Interstate commerce of dairy products
 - Intrastate commerce of meat and poultry products
- Respond to emergencies and outbreaks

Dairy & Meat Inspection

How we do this:

- Ensure safe food handling practices are used from the farm to manufacturer during on-site inspections
- Collect samples to monitor product safety
- Conduct outreach and educational activities with farmers and manufacturers
- Certify industry personnel to conduct temporary or cooperative inspection work
- Provide guidance to prospective or new operators on how to meet the requirements
- Issue certificates to Minnesota dairy and meat companies so that they can sell their products internationally



Food & Feed Safety

What we do:

- Ensure the safety of the food supply through work with produce growers, and human and animal food manufacturers, distributors, and retailers
 - Maintain inventories of regulated human and animal food operations
 - Conduct assessments to regulatory standards for human and animal foods products and handling activities
 - Enforce regulatory requirements by ensuring human and animal food safety violations are corrected
 - Respond to food-related emergencies and outbreaks

Food & Feed Safety

How we do this:

- Conduct pre-operational reviews of facilities and operational plans to provide guidance on how to meet regulatory requirements
- Administer Commercial Feed licensing and product listing, Food Handlers licensing, and Cottage Food Producer registration
- Use risk-based inspections to ensure sanitary environments and safe food handling practices on farms, human and animal food manufacturers, and food retailers
- Collect samples to monitor product safety and label guarantees
- Issue notices of violation and other enforcement actions as needed
- Administer the Governor's Food Safety and Defense Task Force
- Issue export certificates so Minnesota food and feed companies can sell their products internationally



Laboratory

What we do:

- Assist in the regulatory enforcement and monitoring activities of the MDA and federal partners
- Respond to outbreaks and emergencies
- Support the protection of the environment through our work with MDA divisions, the Minnesota DNR, and EPA
- Support the protection of the agricultural industry by providing accurate data on which action can be taken or responsibility can be determined

How we do this:

- Provide microbiological, chemical, physical and pesticide testing for the MDA, the Minnesota DNR, and federal partners
- Provide testing data that is legally and scientifically defensible
- Provide analytical services in response to agricultural chemical spills, foodborne outbreaks, plant disease outbreaks, food security events, and natural disasters
- Provide assistance to the U.S. Department of Agriculture, the Food and Drug Administration, and the Environmental Protection Agency through cooperative agreement programs



Pesticide and Fertilizer Management

Pesticide & Fertilizer Management

What we do:

- Pesticide regulation
- Fertilizer regulation
- Protection of groundwater from ag chemicals
- Emergency response
- Spills and clean-up
- Waste pesticide collection
- Minnesota Agricultural Water Quality Certification Program (MAWQCP)

Pesticide & Fertilizer Management

How we do this:

- We work with farmers, regulated industry, and interested parties on the front end as much as possible
- We employ 110 agronomists, soil scientists, and hydrologists (40% in greater Minnesota)
- Many staff have graduate degrees, a farm background, and some still farm
- PFMD Budget ~\$30 million/year, mostly from fees and Clean Water Fund



Plant Protection

What we do:

- Protect natural and agricultural resources from invasive species
- Protect market access for Minnesota plants and plant products
- Help to facilitate fair and transparent marketplaces
- Compensate producers for and help them prevent wolf depredation/elk damage

How we do this:

- Facilitate detection and management of invasive species including insects (EAB, spongy moth), pathogens (red star rust) and plants (Palmer amaranth)
- Inspect production areas to ensure standards are met such as pest/pathogen thresholds (nursery stock, seed potatoes), THC limits (hemp), etc.
- Inspect plants, seeds, and other plant products offered for sale to ensure they are accurately labeled/described and all requirements are met
- Provide oversight for grain and produce transactions to prevent sellers from not being paid
- Verify and pay claims for damage from wolves or elk, as well as make grants to prevent damage



Rural Finance Authority/AgBMP Program

Rural Finance Authority/AgBMP

What we do:

- RFA administers five bond funded, eight revolving loan, and one grant funded programs
- RFA and AgBMP finance at rates and conditions not available in the market
- Administer the Beginning Farmer Tax Credit
- Administer the Down Payment Assistance Grant
- RFA services over 742 loans for over \$100 million
- AgBMP services over 4,000 loans and a portfolio of over \$87 Million

Rural Finance Authority/Agricultural Best Management Practices

How we do this:

- Seven staff members
- RFA works with over 400 community banks to provide agricultural financing
- RFA works with over 1,000 farmers per year through the Beginning Farmer Tax Credit
- AgBMP works with all counties and over 360 lending institutions to provide an average of 668 loans per year

Thank you!

Thom Petersen

Thom.petersen@state.mn.us

651-201-6219