



February 20, 2023

Chair Aric Putnam  
Senate Agriculture, Broadband, and Rural Development Committee  
RE: Senate File 1256  
95 University Avenue W.  
Minnesota Senate Bldg., Room 3215  
St. Paul, MN 55155

Dear Chair Putnam,

Thank you and the Members of the Committee for allowing me the opportunity to submit written testimony in support of House File 1256.

My name is David Larson, and I am the Government Affairs Director for Cooperative Network. Our members are owned by millions of residents throughout Minnesota and Wisconsin and include member-owned farm supply, dairy marketing, livestock marketing, financial, health care, mutual insurance, processing, electric utility, housing, food, and worker-owned cooperatives, among others.

We appreciate Senator Gustafson and her co-authors for bringing this important bill in front of the Committee to fund agricultural cooperative development grants that were reauthorized last session. These grants would help farmers access the funds required to start new cooperatives for the purposes of operating a product processing facility or marketing a product/service.

As part of the Agriculture Omnibus Bill last term, this cooperative development grant program is designed to make grants up to \$50,000, with a dollar-for-dollar match, for the following: “feasibility, marketing analysis, assistance with organizational development, financing and managing new cooperatives, product development, development of business and marketing plans, and predesign of facilities, including site analysis, the development of bid specifications, preliminary blueprints and schematics, and the completion of purchase agreements and other necessary legal documents.”

Cooperative development helps to fill the gaps in the agricultural market while allowing producers themselves to innovate within their communities. As a result of this legislation, new agricultural cooperatives can be explored and/or formed and allow the member-owners to retain more capital to operate their new businesses.

On behalf of our cooperative members, we respectfully request your support of Senate File 1256. Thank you for your consideration.

Sincerely,

David Larson  
Government Affairs Director  
Cooperative Network

CC: Members of the Senate Agriculture, Broadband, and Rural Development Committee