

February 17, 2023

Senator Aric Putnam
Chair, Senate Agriculture, Broadband, and Rural Development Committee
Minnesota Senate Building
95 University Ave. W. Saint Paul, MN 55155

Dear Chair Putnam and members of the Senate Agriculture, Broadband, and Rural Development Committee,

My name is Miah Ulysse and I am the Principal and Founder of Rūted Solutions, a Minnesota-based consulting firm that supports local food and farming organizations and cooperatives in organizational development. I am writing to express support of SF 1256.

I have personally seen a number of cooperatives dissolve because they weren't able to make it past the startup phase. It takes *years* of often unpaid labor from a group of committed individuals to establish the bones of a cooperative. These passionate individuals spend time after day jobs, laboring on their farms, taking care of families, in the evening and on the weekends to create community-centered farming cooperatives that seek to lessen the burden and create a culture of support.

According to the [Minnesota Secretary of State](#), there were 22 filings for 308A Minnesota Cooperatives and 17 filings for 308B Cooperative Associations in 2022. Expanding grant eligibility to new 308B cooperatives will increase the opportunity for newly budding cooperatives to weather the harsh first few years of operations. I have worked as a consultant supporting the development of both 308A and 308B farming cooperatives. Registering as a 308B provides the cooperative with the ability to turn to community outside of the membership base to raise capital. I can understand concerns around external investors interfering with the basic cooperative values of democratic member control - however SF 1256 specifies in line 1.21 that in order to be eligible for grant funds, the 308B cooperative must not allow nonpatron voting rights. This allows for 308B cooperatives to garner support from both this grant program and the communities that care deeply about their success.

Between business development, marketing, distribution, processing, and growing the product itself, small farmers continue to face an uphill battle of increased complexity and competition in the farming sector. Cooperatives have been a go-to model to support farmers with shared supportive services that allow them to focus more on farming. I urge you to support SF 1256 and continue the strong cooperative legacy that Minnesota has built for itself.

Sincerely,



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