

S.F. 1955 – Agriculture, Broadband and Rural Development Budget (A-3 delete everything amendment)

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Article 1: Appropriations for the Department of Agriculture, Board of Animal Health, and Agricultural Utilization Research Institute

Please see the Agriculture, Broadband, and Rural Development 2023 Regular Session – SF 1955 A3 Amendment spreadsheet for details on appropriations.

Article 2: Agriculture Policy

Section 1 (section 17.1016, subdivision 2) amends the cooperative grant program to expand the types of cooperatives eligible.

Section 2 [17.134] establishes a soil health financial assistance program, describes the types of projects and entities eligible for grants, and requires a report.

Section 3 (41A.14, subdivision 2) amends representation for the agriculture research, education, extension, and technology transfer grant advisory panel, giving the Minnesota Indian Affairs Council the ability to appoint a person representing the interests of Minnesota Tribal governments.

Section 4 (41A.19) modifies the bioincentive programs that must submit an annual report.

Sections 5 to 16 relate to the grain indemnity program, a new state program that would mostly replace the current bonding requirements for grain buyers. Producers would pay a premium on each grain sale, with those funds forwarded to the grain indemnity account. Premiums would be collected when the account drops below a specified amount. In the event of a grain buyer or warehouse operator breaching a contract, the producer may file a claim and receive a payment from this fund.

Section 5 (223.16) adds a definition of “failure” to the Grain Buyers chapter.

Section 6 (223.17, subdivision 6) amends requirements for financial reporting for grain buyers.

Section 7 (223.17, subdivision 7) modifies provisions relating to breach of contract for grain purchases.

Section 8 (223.17, subdivision 7a) amends the bond requirements and updates the statute reference.

Section 9 (223.175) modifies the statement that must be included in written voluntary extension of credit contracts.

Section 10 (223.19) updates the commissioner's rulemaking authority to reflect the new statute sections.

Section 11 [223.24] establishes the grain indemnity account, appropriates money to the commissioner to pay claims, issue refunds, and administer the program. The section also describes when a producer is eligible for payment, the claim process, and limits on payments; authorizes the commissioner to petition for a court order and to take legal action to recover claim payments.

Section 12 [223.25] outlines the charges, collection, and submission of grain indemnity premiums.

Section 13 [223.26] describes how a producer may opt out of the grain indemnity program.

Section 14 [223.27] states the penalties for refusing to collect premiums or pay collected premiums to the commissioner.

Section 15 [223.28] describes the bond requirements for a new grain buyer or public grain warehouse operator.

Section 16 (232.22, subdivision 5) modifies reporting requirements for stored grain.

Section 17 (Laws 2022, chapter 95, article 2, section 29, subdivision 6) extends the expiration date for the state healthy soil management plan.

Section 18 describes the wolf-livestock conflict prevention grant program.

Section 19 repeals provisions relating to expiration of the emerging farmers section; sunset of the agricultural growth, research, and innovation program; the oriented strand board production incentive; and provisions in the grain buyer chapter.

Section 20 states that the effective date for this article is July 1, 2023.

Article 3: Broadband

Section 1 explains the broadband development appropriations.

Section 2 contains the appropriations to the Department of Employment and Economic Development, including \$350,000 each year for the Office of Broadband Development, \$55 million the first year and \$35 million the second year for the border-to-border broadband account, and \$20 million each year for the lower population density grant program.

Section 3 (116J.395, subdivision 7) amends the limits for grant funding depending on whether the project receives federal funds or not.