



Providing nonpartisan legal, research, and fiscal analysis services to the Minnesota Senate

S.F. No. 3955—Agriculture, Broadband, and Rural Development Budget Omnibus (1st Engrossment)

Author: Senator Aric Putnam

Prepared by: Laura Paynter, Legislative Analyst, (651/296-5079)

Date: April 18, 2024

S.F. 3955 is the agriculture, rural development, and broadband budget omnibus bill. Article 1 contains the appropriations, Article 2 contains modifications to agriculture statutes, and Article 3 contains broadband provisions. More details about the component bills in this amendment can be found in the table on page 3. Unless otherwise stated, all sections are effective July 1, 2024.

Article 1: Agriculture Appropriations

See the Agriculture, Broadband, and Rural Development 2024 Supplemental Budget Committee Position spreadsheet for information on appropriations.

Article 2: Agriculture Policy

Section 1 (17.055, subdivision 3) amends the beginning farmer equipment and infrastructure grant program to give preference to farmers experiencing limited land access.

Section 2 (17.116, subdivision 2) expands eligibility for sustainable agriculture demonstration grants to add organizations such as farms, agricultural cooperatives, Tribal governments, and local governments.

Section 3 (17.133, subdivision 1) amends the farm down payment assistance grant definitions. The definition of “eligible farmer” would add a requirement that a farmer has at least three years of experience farming. This section also adds a definition of “incubator farm” and “limited land access.”

Section 4 (17.133, subdivision 3) amends the reporting requirements for the farm down payment assistance grants to require information about the number of grant recipients who are farmers experiencing limited land access or who have a net farm profit of \$100,000 or less.

Section 5 (18C.425, subdivision 6) extends the collection of a tonnage fee until June 30, 2034, currently set at 40 cents per ton of fertilizer, soil amendment, and plant amendment sold. This section is effective the day following final enactment.

Section 6 (18C.70, subdivision 5) extends the expiration of the Minnesota Agricultural Fertilizer Research and Education Council until June 30, 2035.

Section 7 (18C.71, subdivision 4) extends the expiration of the Minnesota Agricultural Fertilizer Research and Education Program until June 30, 2035.

Section 8 (18C.80, subdivision 2) extends the expiration of the Agricultural Fertilizer Research and Education Account until June 30, 2035.

Section 9 (28A.10) removes obsolete language.

Section 10 (31.94) extends the Minnesota Organic Advisory Task Force to 2034. This section is effective the day following final enactment.

Section 11 (32D.30) amends the Dairy Development and Profitability Enhancement program to allow more flexibility in the way the program is delivered.

Section 12 (35.155, subdivision 12) allows the state veterinarian to issue a permit to import live Cervidae from another state if the animals are part of a herd that is in the USDA Herd Certification Program or similar equivalent surveillance program.

Section 13 (41B.0391, subdivision 1) adds a reference to the limited land access definition in the beginning farmer tax credit definitions. It also amends the definition of beginning farmer to include an LLC owned by an individual. This section is effective for taxable years beginning after December 31, 2024.

Section 14 (41B.0391, subdivision 2) amends the type of sales that receive a higher credit rate for the beginning farmer tax credit program. This section is effective for taxable years beginning after December 31, 2024.

Section 15 (41B.0391, subdivision 4) amends the language describing where half of the beginning farmer tax credits must be allocated each year. This section is effective for taxable years beginning after December 31, 2024.

Section 16 (41B.0391, subdivision 6) amends the reporting requirements for the beginning farmer tax credits to require reporting on the number of farmers experiencing limited land access. This section is effective for taxable years beginning after December 31, 2024.

Section 17 (41B.047, subdivision 1) amends disaster recovery loans to allow them to be used to purchase feed during a drought.

Section 18 inserts a superseding effect to clarify that article 2, section 12 is intended to supersede the section in the agriculture omnibus policy bill, SF 4225, that amends the same section of statute.

Section 19 repeals the beverage inspection account.

Article 3: Broadband

Section 1 (116J.396) adds a new subdivision to the border-to-border broadband fund section that allows the commissioner to transfer up to five million dollars each fiscal year between the border-to-border, lower population density, and line extension programs. The commissioner must notify the legislature in writing when this authority is exercised. This section is effective the day following final enactment.

Section 2 requires the commissioner of employment and economic development to prepare an application for a federal grant and specifies that funds awarded must be used for the purposes in the Minnesota Digital Opportunity Plan.

Table of component bills for articles 2 and 3:

A-2 amendment section	SF of origin	Bill author
Article 2		
1, 3 to 4, 12 to 15	SF 5049 with the A-2 amendment as amended by the A-4 amendment	Putnam
2	SF 5125	Kunesh
5 to 8	SF 3719	Putnam
9 and 17	SF 4187	Gustafson
10 to 12, and 16	SF 5365	Putnam
Article 3		
1 and 2	SF 5366	Putnam