Hannah Bernhardt

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Chair Ann Rest Vice Chair Matt Kline Senator Bill Weber Members, Senate Taxes Committee

Dear Chair Rest and Members of the Committee,

I'm writing to express my strong support for Senator Putnam's bill modifying the definition of agricultural land for agricultural property classification (SF 4828). I own and operate Medicine Creek Farm in Pine County. I raise grass fed beef and lamb and pastured pork, and direct market all my products to customers primarily in the Twin Cities and Duluth. I am an active member of the National Young Farmers Coalition, the Land Stewardship Project, and the Minnesota Farmers Union.

Even as a fourth generation farmer, land access was difficult for me. In my land search, I found that most homesteads had been parceled off from the surrounding agricultural land, so I could either buy a larger acreage with no home in which to live, or a small farmstead with a house and infrastructure, but not much land on which to farm. Most beginning farmers aren't lucky enough to have the time or skills to build their own homes or the access to capital to afford large amounts of prime farmland.

In the <u>Building a Future with Farmers 2022 Report from the National Young Farmer Survey</u>, finding affordable farmland was the top challenge for respondents, followed by access to capital. We are piecing our farms together with sweat equity, relationships, ingenuity, and untraditional living quarters. We are growing direct-to-market to control our own prices, feed our communities, and live our values. We are farming in partnerships and cooperatives, in unconventional settings, on small parcels. We are not the exception, but a common result of skyrocketing land prices in a consolidated industry with lenders that see farming as too risky to finance.

Modifying the agricultural property classification to include small farmers on parcels less than 10 acres is tax fairness for young and beginning farmers. I appreciate your consideration of this proposal and thank Senator Putnam for his leadership as well as the Committee's work on behalf of Minnesotans.

Sincerely,

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Hannah K. Bernhardt