

Senator Putnam from the Committee on Agriculture, Veterans, Broadband, and Rural Development, to which was referred

S.F. No. 1575: A bill for an act relating to agriculture; establishing the biofertilizer water preservation program; requiring rulemaking; appropriating money; amending Minnesota Statutes 2024, section 18C.005, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18C.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. BIOFERTILIZER WATER PRESERVATION PROGRAM.

Subdivision 1. Definitions. For the purposes of this section, "commercial nitrogen fertilizer" means a fertilizer with a nitrogen content of no less than 25 percent.

Subd. 2. Program established. In consultation with the commissioner of natural resources and soil and water conservation districts in Minnesota, the commissioner of agriculture must develop and administer a biofertilizer water preservation pilot program to address water quality by incentivizing Minnesota farmers to improve nitrogen management and incorporate innovative technologies into the farmers' crop nutrient management plans. The commissioner must determine which products qualify for the program, including soil amendments, fertilizers with nitrogen fixing properties, biological sources of nitrogen, and other biofertilizers.

Subd. 3. Payments to qualified farmers. (a) In consultation with farmers and the fertilizer industry, the commissioner may establish a per acre payment rate, not less than \$5 per acre, for payments provided to a qualifying farmer. The program may provide an annual per acre incentive payment to a qualifying farmer who verifies through documentation that the farmer has reduced commercial nitrogen fertilizer rates by using a qualifying product in the farmer's crop nutrient management plans by the lesser of:

(1) 15 percent; or

(2) 30 pounds per acre.

(b) The Department of Agriculture must annually review and may adjust the per acre payment rate based on inflation and emerging fertilizer technology.

Subd. 4. Qualifications. To qualify for the biofertilizer water preservation program, a farmer must:

(1) be a farmer in the state; and

(2) submit documentation to the commissioner, including a crop nutrient management plan that will reduce the use of commercial nitrogen fertilizers at the reduction rate required under subdivision 2 by using a qualifying product determined by the commissioner under subdivision 1.

Subd. 5. **Report required.** (a) By January 8, 2028, the commissioner must report on the program, including the following information:

(1) the program's required minimum commercial nitrogen fertilizer reduction rate under subdivision 3 and whether an increase in the minimum reduction rate is necessary;

(2) additional qualifying products that may be used by farmers in the program. When making this determination, the commissioner must consider newly available technologies and products capable of reducing commercial nitrogen fertilizer applications;

(3) the use of program funds, including the incentive payment rate made to farmers;

(4) the number of farmers and the number of acres in each county that receive an incentive payment; and

(5) an estimate of the amount of commercial nitrogen fertilizer reduced due to the program.

(b) The commissioner must submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture policy and finance.

Subd. 6. **Data privacy.** Any documentation submitted by a farmer to qualify for the program under subdivision 4 is classified as nonpublic data, as defined in Minnesota Statutes, section 13.02, subdivision 9, or private data on individuals, as defined in Minnesota Statutes, section 13.02, subdivision 12, but the data may be used to complete the report under subdivision 5, provided that the identity of a particular grantee must not be revealed or made ascertainable in the report.

Sec. 2. APPROPRIATION.

\$5,000,000 in fiscal year 2026 is appropriated from the general fund to the commissioner of agriculture to establish and administer the biofertilizer water preservation program. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance at the end of fiscal year 2026 does not cancel and is available in fiscal year 2027. "

Delete the title and insert:

3.1

"A bill for an act

3.2

relating to agriculture; establishing the biofertilizer water preservation pilot

3.3

program; appropriating money."

3.4

And when so amended the bill do pass and be re-referred to the Committee on Judiciary

3.5

and Public Safety. Amendments adopted. Report adopted.

3.6



3.7

.....
(Committee Chair)

3.8

March 5, 2025.....

3.9

(Date of Committee recommendation)