

Climate Land Leaders are working with compassion and commitment to address the climate crisis on their lands

March 11, 2025

Senator Aric Putnam, Chairperson Minnesota Senate Agriculture, Veterans, Broadband and Rural Development Finance and Policy Committee

RE: SF 2147

Dear Senator Putnam and Committee members,

On behalf of Climate Land Leaders (CLL), I request your support of SF 2147 as amended, the Livestock Investment Grant bill, with Senator Kupec as Chief Author.

Climate Land Leaders is comprised of farmers and landowners who are using conservation and soil health practices on their farms to reduce carbon emissions, foster clean air and water and achieve resilience in the face of an ever-changing climate. Some are working to turn their farms over to the next generation. Other members are livestock producers who want to expand their operations and better market locally, and some are new farmers who wish to diversify by adding livestock to their farms.

We support the changes proposed to the Minnesota Department of Agriculture's Livestock Investment Grant program in SF 2147 which would provide for a 50 percent cost share on qualifying investments of 0 - \$20,000 and a 20 percent cost share on the next \$200,000 for a cost share on a maximum of \$220,000. This is a change from the current 10 percent match on projects up to \$250,000.

Costs for livestock investments have increased dramatically and are not going down, and the 10 percent match is less impactful today than when the Livestock Investment Grant first started. SF 2147 addresses this and aligns this cost share percentage with most other MDA cost share programs. SF 2147 also better supports smaller projects and extends the use of the grant program while serving more farmers. Currently, a small project such as a watering system of \$4,000 would receive a \$400 cost share, which is often not worth the application effort. Under SF 2147, the 50 percent cost share would provide a \$2,000 grant, greatly increasing the chances of this smaller project to be launched.

According to the MDA, this change offers greater opportunity for the smaller projects to apply and see greater benefit, with the potential to fund more smaller projects. For example, if MDA funded 10 projects costing \$10,000 (each) this would use \$50,000 in grant funds (\$5,000 each grant). This would be equivalent to two projects of \$250,000 at \$25,000 cost shares each under today's program. More farmers may well be served. In turn, these funds support main street feed, seed and supply stores that thrive on small livestock producers. These grant dollars will turn over on main streets throughout Minnesota as more producers are incentivized to apply.

SB 2147 supports all eligible projects in a progressive manner, regardless of the size or type, in that all applicants receive the same cost share percentage on the first increment of investment, and the same, smaller cost share percentage on the next increment of investment.

Climate Land Leaders also supports these changes because they are consistent with the fifth soil health principle, adding livestock to the landscape. We encourage conversion of marginal cropland to robust pastures and prairie that can support managed grazing. We also support silvopasture, which uses a combination of forage improvements and managed grazing in woods. These practices can be supported with modest investments under the Livestock Investment Grant.

SB 2147 also includes other species to the definition of livestock, ensuring greater flexibility to program eligibility.

The bill enables representatives of Minnesota Tribal nations to apply for the Livestock Investment grant for their Tribes. Some communities have expressed interest in using the program to add livestock enterprises to provide meat for their members and build Tribal farms. SF 2147 would support those initiatives that are now off limits under the current program.

Lastly, Minnesota has made game changing investments in local meat processing and in the education of meat processing professionals, in an effort to rebuild a locally controlled meat system and support these important main street businesses. Minnesota has also fostered a robust farm to school program which puts nutritious food and protein on the plates of students across the state. The changes to the Livestock Investment Grant will help stimulate local meat production from more producers to serve communities and our growing farm-to-school efforts.

We urge your support SF 2147.

Thank you for your consideration.

Theresa M. Keaveny, State Policy Lead

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Climate Land Leaders

Scenarios:

From Minnesota Department of Agriculture – Livestock Investment Grant Use

FY 2025

Applications received	112
Amount available	\$1.125 million
Grants*	69
% of applications funded	62%
Amount awarded	\$887,251
# Under \$10,000	33
Average	\$12,859
Median	\$10,589

^{*}Contracts for FY25 are not finalized so the final number may vary

FY 2024

Applications received	212 (over 2 rounds)	
Amount available	\$1.5 million	
Grants	90	
% of applications funded	43%	
Amount awarded	\$1.44 million	
# Under \$10,000	31	
Average	\$15,925	
Median	\$22,117	

FY 2023

Applications received	141
Amount available	\$1.3 million
Grants	78
Amount awarded	\$1.18 million
# Under \$10,000	26
Average	\$15,958
Median	\$17,398

Year	# of Applications	# Awarded	\$ Available	\$ Awarded
2019	174 (1 round)	104	\$2 million	\$2 million
2020	147 (1 round)	39	\$768,000	\$772,000
2021	99 (1 round)	44	\$789,000	\$756,000
2022	259 (2 rounds)	77	\$1.3 million	\$1.3 million