



2021 Agricultural Drought Relief Program

A Report to the Minnesota Legislature

01/10/2023

Minnesota Department of Agriculture
Agricultural Drought Relief Program
625 Robert Street North
Saint Paul, MN 55155
Phone: 651-201-6500
drought@state.mn.us
www.mda.state.mn.us

This report cost approximately \$1,000 to prepare, including staff time, printing, and mailing expenses (MINN. STAT. 3.197).

Upon request, this material will be made available in an alternative format such as large print, Braille, or audio recording. Printed on recycled paper.

In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711. The MDA is an equal opportunity employer and provider.

Contents

- Introduction.....4
- Background.....4
 - Drought situation4
 - Legislative requirements5
- Program Development and Implementation5
 - Design5
 - Outreach.....6
 - Implementation and response6
- Appendix.....8
 - Timeline8
 - Drought payments by county and type of operation.....9
 - Map of number of payments by county..... 12

Introduction

This report is required by the Minnesota Legislature (2022 Minn. Laws, Chap. 95, Art. 3, Sec. 2, Subd. 5):

Legislative report. Beginning January 10, 2023, and annually thereafter until January 10, 2025, the commissioner must report on expenditures and activities under this section to the legislative committees and divisions with jurisdiction over agriculture finance. The reports must include a breakdown of grants by type of farm, either livestock or specialty crop, and by county.

The Minnesota Department of Agriculture fully implemented the drought relief program in 2022 and anticipates this will be the only report.

Background

Drought situation

The 2021 drought conditions were widely viewed as the most severe widespread drought Minnesota has experienced since 1988. The week ending August 24, 2021, 83 of Minnesota’s 87 counties were designated by the USDA as a primary natural disaster area or were contiguous to a designated county. That same week, the U.S. Drought Monitor — a partnership between the National Drought Mitigation Center at the University of Nebraska-Lincoln, the United States Department of Agriculture (USDA), and the National Oceanic and Atmosphere Administration — identified that 98.85% of the state’s land was in a drought, with over 57% being considered as “D3 – Extreme Drought” or “D4 – Exceptional Drought.” Their [map of Minnesota from the week of August 24, 2021](#) shows the severity of the drought situation at the peak of the 2021 drought. The northern third of the state was almost all in extreme or exceptional drought, with only the very southeastern corner not identified as experiencing drought conditions.

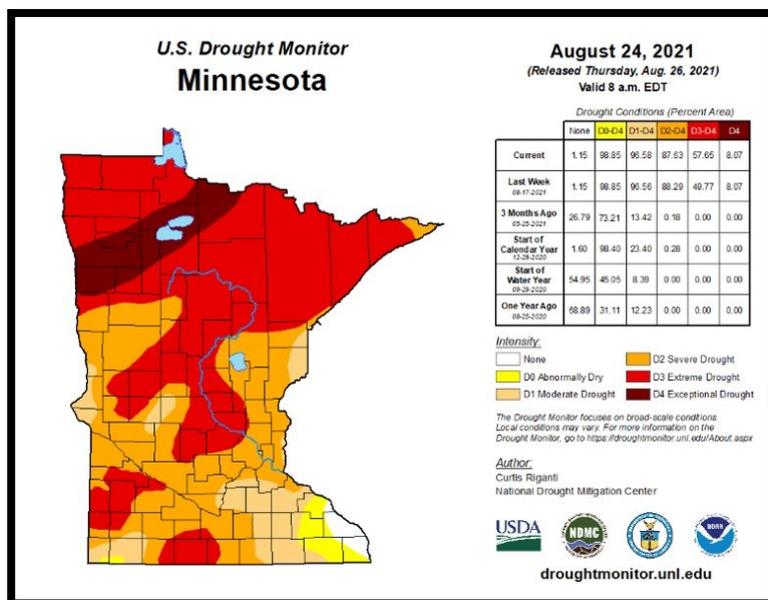


Figure 1. Minnesota map as of August 24, 2021 (U.S. Drought Monitor)

Legislative requirements

The 2021 Agricultural Drought Relief Program (ADRoP) was established at the Minnesota Department of Agriculture (MDA) through legislation passed by the 2022 Legislature appropriating \$8.1 million to the program. The language was passed out of both bodies on May 22, 2022, and signed into law by the governor on May 26, 2022 (Laws of Minnesota, 2022, Regular Session, Chapter 95).

ADRoP was designed to award grants and other forms of financial assistance to livestock farmers and specialty crop producers impacted by drought during 2021. To accomplish this goal, the MDA developed a payment program to reimburse Minnesota livestock farmers and specialty crop producers for eligible expenses incurred due to the 2021 drought.

The budget rider language stipulated the following eligibility criteria:

1. Farmers and producers must be located in a county designated by the USDA as a primary natural disaster area after July 19, 2021, and before January 1, 2022, or in a county contiguous to a designated county. All counties except Rice, Goodhue, Wabasha, and Winona were eligible.
2. Eligible farmers and producers must provide the commissioner an inventory of expenses incurred by the farmer or producer and attest that the farmer or producer incurred these expenses in response to the drought.
3. Livestock farmers could also include costs to transport feed or feed ingredients up to 25 miles to and from the farm if the farmer was not compensated for the same expenses through the USDA's Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish program.

Farmers and producers were eligible to be reimbursed up to \$7,500 of actual expenses incurred. If total eligible applications received during the initial application period (stipulated to be at least 10 days) exceeded the amount appropriated, the commissioner was to make payments on a pro-rated basis. If the expenses from eligible applications were less than the amount appropriated, the commissioner was to accept additional applications until the remaining funds are expended.

Program Development and Implementation

The MDA acted quickly to develop and implement the program. Program details were finalized, the application rolled out, and final checks were sent within four months of bill enactment. Because timeliness of the program was critical, rather than hire additional temporary staff, the MDA relied on existing staff from across the agency to administer the program. While the budget rider allowed the commissioner to use up to 6.5% of the appropriation to administer the program, the agency used less than 2.5% of the appropriation. A timeline of key dates and milestones is included in the [Appendix](#).

Design

As the budget rider language was being finalized, the MDA consulted with relevant farm organizations to gather input on program details. Organizations indicated that the program needed to be accessible to both livestock and specialty crop producers, be available in multiple languages, and include an array of eligible expenses, particularly for specialty crop producers.

With input from stakeholder organizations, the MDA created a simple two-page application. The application required three elements: a completed application form, an IRS Form W-9 (necessary to establish the farmer in the state's accounting system) and a list of drought-related expenses. The application also collected basic contact information, the county of their farm, and the type of their operation (livestock, specialty crop, or both). The application was made available in English, Spanish, Hmong, and Somali. Applications were accepted through the MDA's online grant management system (preferred), by email, and by mail.

Outreach

The MDA distributed a press release and created a webpage immediately after the bill was signed into law to provide basic information to farmers and producers. This early communication helped farmers and producers determine if they were eligible and previewed the types of information that would be requested and the eligible expenses.

Prior to launch of the application, the MDA provided training webinars to University of Minnesota Extension staff, Farm Business Management instructors, Farm Advocates, and staff of The Good Acre. These webinars were intended to help them provide technical assistance to applicants once the application process was opened.

Once the application period began, the MDA sent out a statewide press release in English, Hmong, Spanish, and Somali. The MDA also partnered with farm organizations to host three informational webinars for farmers and producers. These included Minnesota Farmers Union, Minnesota Farm Bureau, Minnesota Institute for Sustainable Agriculture (MISA), Minnesota Farmers' Market Association (MFMA), and Big River Farms. The webinar hosted by MISA, MFMA, and Big River Farms was interpreted into Spanish, Hmong, and Somali. The MDA also contracted with Language Line Solutions Inc. to provide interpretation over the phone as needed.

Implementation and response

Applications were accepted between June 21, 2022, and July 6, 2022. Mailed applications that were postmarked by July 6, 2022, were accepted if they were received by July 12, 2022. The MDA received 2,986 applications (2,526 were submitted online, 302 by mail, and 158 by email).

MDA staff reviewed applications as they were submitted. Applications were checked to ensure that expenses were within the allowable date range and related to the drought, that the applicants farmed in an eligible county, and that only one application was received per farm. The MDA contacted over 500 farmers and producers who submitted incomplete information. Most of the incomplete applications were fixed through correspondence and conversations with the producers.

Of the applications submitted, 2,921 were approved and 67 applications were denied. Applications were denied for a variety of reasons, including the applicant submitting multiple applications (e.g., one by mail and another by email), multiple family members applying, or refusing to respond to requests for additional information. Denied applicants were notified by phone, mail, or email and had seven business days after being notified to appeal the decision and to fix the issues related to their application denial.

Approved applicants reported over \$44 million in drought-related expenses. After accounting for the \$7,500 maximum payment, farmers and producers had nearly \$18.9 million in eligible claims, far more than double the \$8.1 million provided for the program. Therefore, the MDA pro-rated payments to farmers and producers at a

rate of 41.9% of eligible expenses submitted by the applicant. The smallest check was \$42, and the largest checks were \$3,143. The program assisted 279 specialty crop producers, 2,375 livestock producers, and 267 applicants who indicated they produce both specialty crops and livestock (see Appendix for totals by county).

Appendix

Timeline

May 22, 2022: Drought relief legislation was adopted by the House and Senate (HF 3420, Laws of Minnesota, 2022, Chapter 95).

May 26, 2022: HF 3420 was signed by the governor and officially enacted.

May 27, 2022: A statewide press release and webpage was made available with information on eligibility criteria and the program timeline.

June 14-17, 2022: The MDA hosted three “train the trainer” webinars for Farm Business Management instructors, University of Minnesota Extension staff, Farm Advocates, and others who could provide technical assistance to farmers and producers.

June 21, 2022: The ADRoP application period opened.

June 21-22, 2022: The MDA presented three public webinars to provide details on how to apply for the program and to answer producer questions. These are hosted by Minnesota Farmers Union, Minnesota Farm Bureau, and Minnesota Institute for Sustainable Agriculture/Big River Farms/Minnesota Farmers’ Market Association.

July 6, 2022: The ADRoP application period closed. Nearly 3,000 applications were received.

August 22, 2022: The appeal window closed, and all eligible applications were approved. The MDA began issuing payments.

September 22, 2022: Final ADRoP checks were mailed.

Drought payments by county and type of operation

County	Number of payments to livestock operations	Amount paid to livestock operations	Number of payments to specialty crop operations	Amount paid to specialty crop operations	Number of payments to operations with both	Amount paid to operations with both	Number of payments to all operation types	Amount paid to all operation types
Aitkin	20	\$52,373	2	\$3,343	2	\$3,037	24	\$58,753
Anoka	3	\$7,074	10	\$26,912	0	\$0	13	\$33,986
Becker	36	\$105,870	2	\$4,261	3	\$9,429	41	\$119,560
Beltrami	69	\$194,486	2	\$6,286	3	\$8,218	74	\$208,990
Benton	78	\$213,699	4	\$12,277	6	\$15,856	88	\$241,832
Big Stone	6	\$14,082	0	\$0	0	\$0	6	\$14,082
Blue Earth	3	\$9,429	0	\$0	0	\$0	3	\$9,429
Brown	25	\$59,687	1	\$2,135	4	\$12,572	30	\$74,394
Carlton	27	\$73,096	5	\$9,016	0	\$0	32	\$82,112
Carver	12	\$30,812	5	\$10,113	2	\$3,872	19	\$44,797
Cass	36	\$105,951	1	\$126	2	\$3,700	39	\$109,777
Chippewa	12	\$29,562	2	\$3,984	2	\$6,263	16	\$39,809
Chisago	6	\$12,972	5	\$8,393	2	\$3,416	13	\$24,781
Clay	20	\$57,392	3	\$4,165	0	\$0	23	\$61,557
Clearwater	99	\$286,974	2	\$6,184	9	\$23,982	110	\$317,140
Cook	1	\$3,034	0	\$0	2	\$3,614	3	\$6,648
Cottonwood	9	\$25,537	0	\$0	0	\$0	9	\$25,537
Crow Wing	31	\$88,704	1	\$3,143	5	\$13,326	37	\$105,173
Dakota	8	\$18,654	19	\$43,045	2	\$6,286	29	\$67,985
Dodge	6	\$17,707	0	\$0	0	\$0	6	\$17,707
Douglas	68	\$171,860	6	\$9,857	8	\$18,875	82	\$200,592
Faribault	4	\$10,919	2	\$6,286	0	\$0	6	\$17,205
Fillmore	24	\$63,712	4	\$6,392	3	\$1,871	31	\$71,975
Freeborn	3	\$8,109	1	\$3,143	0	\$0	4	\$11,252
Grant	2	\$6,286	0	\$0	0	\$0	2	\$6,286
Hennepin	1	\$3,143	11	\$24,635	0	\$0	12	\$27,778
Houston	17	\$42,528	1	\$2,386	0	\$0	18	\$44,914
Hubbard	20	\$60,965	2	\$3,429	0	\$0	22	\$64,394
Isanti	7	\$18,319	11	\$22,523	0	\$0	18	\$40,842
Itasca	16	\$43,310	3	\$7,151	1	\$3,143	20	\$53,604
Jackson	7	\$15,589	0	\$0	2	\$2,188	9	\$17,777
Kanabec	12	\$27,815	3	\$2,516	2	\$3,272	17	\$33,603
Kandiyohi	49	\$140,496	4	\$10,941	9	\$26,910	62	\$178,347
Kittson	21	\$62,937	1	\$3,143	0	\$0	22	\$66,080
Koochiching	13	\$38,220	0	\$0	0	\$0	13	\$38,220
Lac qui Parle	27	\$70,542	0	\$0	2	\$6,228	29	\$76,770
Lake of the Woods	7	\$19,350	0	\$0	0	\$0	7	\$19,350
Le Sueur	10	\$30,687	5	\$14,736	1	\$3,143	16	\$48,566
Lincoln	34	\$90,891	0	\$0	3	\$8,234	37	\$99,125

County	Number of payments to livestock operations	Amount paid to livestock operations	Number of payments to specialty crop operations	Amount paid to specialty crop operations	Number of payments to operations with both	Amount paid to operations with both	Number of payments to all operation types	Amount paid to all operation types
Lyon	54	\$144,866	0	\$0	10	\$28,472	64	\$173,338
Mahnomen	22	\$63,774	1	\$307	2	\$6,286	25	\$70,367
Marshall	43	\$125,114	4	\$12,572	3	\$7,499	50	\$145,185
Martin	7	\$21,013	0	\$0	1	\$3,143	8	\$24,156
McLeod	11	\$29,009	3	\$5,001	5	\$10,581	19	\$44,591
Meeker	45	\$126,624	3	\$6,469	6	\$18,781	54	\$151,874
Mille Lacs	30	\$84,310	5	\$11,925	2	\$3,425	37	\$99,660
Morrison	163	\$443,669	19	\$52,245	21	\$58,704	203	\$554,618
Mower	3	\$9,429	0	\$0	1	\$3,143	4	\$12,572
Murray	29	\$78,668	2	\$3,330	3	\$7,524	34	\$89,522
Nicollet	9	\$25,234	0	\$0	1	\$2,592	10	\$27,826
Nobles	16	\$44,888	0	\$0	1	\$3,143	17	\$48,031
Norman	13	\$36,547	1	\$3,143	2	\$6,286	16	\$45,976
Olmsted	15	\$36,469	3	\$3,154	3	\$7,979	21	\$47,602
Otter Tail	113	\$320,012	6	\$8,102	14	\$35,919	133	\$364,033
Pennington	31	\$81,106	0	\$0	4	\$12,572	35	\$93,678
Pine	29	\$70,328	3	\$4,979	3	\$9,202	35	\$84,509
Pipestone	25	\$69,105	0	\$0	3	\$8,711	28	\$77,816
Polk	55	\$158,848	5	\$11,037	3	\$8,999	63	\$178,884
Pope	47	\$133,999	5	\$10,713	8	\$22,712	60	\$167,424
Ramsey	0	\$0	3	\$4,825	1	\$3,122	4	\$7,947
Red Lake	31	\$82,701	2	\$6,286	1	\$3,143	34	\$92,130
Redwood	30	\$87,362	1	\$3,143	4	\$11,812	35	\$102,317
Renville	30	\$74,597	12	\$36,333	6	\$17,272	48	\$128,202
Rock	10	\$24,944	0	\$0	2	\$6,286	12	\$31,230
Roseau	55	\$154,526	3	\$9,366	5	\$15,715	63	\$179,607
Scott	8	\$20,896	5	\$8,478	1	\$3,143	14	\$32,517
Sherburne	11	\$29,945	10	\$28,937	5	\$13,408	26	\$72,290
Sibley	15	\$42,619	1	\$3,143	1	\$1,035	17	\$46,797
St. Louis	19	\$53,556	4	\$5,256	8	\$15,695	31	\$74,507
Stearns	289	\$834,740	16	\$44,576	31	\$86,966	336	\$966,282
Steele	8	\$22,737	0	\$0	0	\$0	8	\$22,737
Stevens	14	\$34,638	1	\$3,143	0	\$0	15	\$37,781
Swift	34	\$87,839	0	\$0	2	\$2,219	36	\$90,058
Todd	99	\$282,762	5	\$12,325	6	\$10,935	110	\$306,022
Traverse	5	\$13,138	0	\$0	1	\$3,143	6	\$16,281
Wadena	34	\$100,279	3	\$8,326	5	\$15,715	42	\$124,320
Waseca	5	\$8,555	2	\$2,932	0	\$0	7	\$11,487
Washington	5	\$9,131	15	\$26,779	1	\$840	21	\$36,750
Watonwan	2	\$3,755	2	\$2,803	1	\$3,143	5	\$9,701
Wilkin	5	\$13,741	0	\$0	0	\$0	5	\$13,741

County	Number of payments to livestock operations	Amount paid to livestock operations	Number of payments to specialty crop operations	Amount paid to specialty crop operations	Number of payments to operations with both	Amount paid to operations with both	Number of payments to all operation types	Amount paid to all operation types
Wright	29	\$80,136	16	\$30,852	8	\$21,257	53	\$132,245
Yellow Medicine	28	\$81,034	0	\$0	7	\$15,026	35	\$96,060
Grand Total	2,375	\$6,579,416	279	\$631,001	267	\$702,983	2,921	\$7,913,400

Map of number of payments by county

