

# **Soil Health Financial Assistance Program**

A Report to the Minnesota Legislature

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## Contents

Executive Summary	1
Program Operations	1
Grant awards	1
Table 1: FY24 General Fund appropriation only SHFAP awards by county	2
Table 2: FY24 Grant awards for the SHFAP with General Fund appropriation	3
Table 3: FY24 Grant awards for the SHFAP with Clean Water Fund appropriation	4

#### **Executive Summary**

Building soil health is key to facilitating resiliency across Minnesota's working lands in the face of a changing climate. However, soil health practices typically require specialized, expensive equipment that many producers do not own. To meet this challenge, the Soil Health Financial Assistance Program (SHFAP) was established to provide grants to individual producers, groups of producers, and local government units to purchase soil health equipment. Initially established as a \$500,000 pilot appropriation in the 2022 legislative session, the SHFAP received additional funding in the 2023 and 2024 legislative sessions, and as a result has offered three rounds of funding since it was initiated in 2023. The additional funding includes a General Fund appropriation that allocates \$625,000 in Fiscal Year (FY) 2024 and 2025, with \$639,000 in FY26 and each year thereafter; an additional General Fund appropriation of \$495,000 in FY25 for grants in Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, and Winona counties; and a Clean Water Fund appropriation of \$1,750,000 in FY24 and FY25. The total annual funds available for grants and administration of the SHFAP were \$500,000 in FY23, \$2,375,000 in FY24 and \$2,870,000 FY25.

The awards made in FY25 are the focus of this report. The FY24 awards are the subject of the Soil Health Financial Assistance Program Fiscal Year 2024 Legislative Report (Jan. 8, 2024), while the FY23 (pilot) awards are the subject of the Soil Health Financial Assistance Pilot Program Fiscal Year 2023 Legislative Report (Dec. 27, 2023).

### **Program Operations**

A request for proposals for the SHFAP was open from August 1 to August 30, 2024, and generated 309 applications for more than \$9.6 million in requested support from across Minnesota. Applications were competitively reviewed by an external review committee which scored and ranked applications based on their soil health benefit, financial need, potential for conservation practice co-benefits, and other factors. Grant award decisions were announced in December 2024. The FY25 request for proposal (RFP) marked the third funding cycle under the SHFAP, following the first (pilot) round and FY24 round. RFPs for the previous two funding cycles were open in winter and summer 2023, respectively.

#### **Grant awards**

Using the General Fund appropriations, a total of 36 awards totaling \$1,047,155.60 were made across 22 counties. Of the \$1,120,000 available from the General Fund, up to 6.5% or \$72,800 can be reserved for program administration. Table 1 shows grant awards under the General Fund appropriation by county. The equipment purchased through these grant awards will be used to implement a wide range of soil health practices on a minimum of 56,723 acres annually.

Tables 2 and 3 show the individual awards made under the General Fund and Clean Water Fund appropriations. Combined, these two pools of funding allowed a total of \$2,796,447.69 in SHFAP grant awards to 90 grant recipients. The equipment purchased with these grant awards will affect an estimated 132,332 acres annually.

County	Number of Awards	Total \$ Awarded per County	
Carlton	1	\$	4,000.00
Cottonwood	1	\$	20,599.70
Crow Wing	1	\$	3,175.00
Faribault	2	\$	75,000.00
Goodhue	1	\$	22,344.00
Houston	2	\$	35,000.00
Lac qui Parle	1	\$	15,000.00
Lyon	2	\$	90,000.00
Morrison	1	\$	45,000.00
Olmsted	2	\$	67,500.00
Otter Tail	1	\$	20,000.00
Renville	1	\$	5,880.00
Rock	2	\$	80,000.00
St. Louis	1	\$	14,470.50
Stearns	1	\$	20,000.00
Steele	4	\$	135,268.00
Stevens	1	\$	45,000.00
Swift	2	\$	70,000.00
Todd	1	\$	19,108.95
Wabasha	2	\$	64,957.45
Winona	6	\$	194,852.00
SUBTOTALS	36	\$	1,047,155.60

# Table 1: FY25 General Fund appropriation only SHFAP awards by county

County	Equipment	Grant Award	Estimated Acres Affected Annually
Carlton	Down pressure planting system for one-point hitch	\$ 4,000.00	250
Cottonwood	Agricultural drone	\$ 20,599.70	1000
Crow Wing	No-till drill	\$ 3,175.00	25
Faribault	Strip till bar	\$ 45,000.00	2500
Faribault	No till planter	\$ 30,000.00	1350
Goodhue	No-till drill	\$ 22,344.00	350
Houston	Seeder	\$ 10,250.00	200
Houston	Agricultural drone	\$ 24,750.00	900
Lac qui Parle	No-till drill	\$ 15,000.00	500
Lyon	Manure applicator with low disturbance strip till application bar	\$ 45,000.00	2060
Lyon	Dry fertilizer applicator	\$ 45,000.00	3789
Morrison	Strip till machine	\$ 45,000.00	5000
Olmsted	No-till drill	\$ 22,500.00	520
Olmsted	No-till drill	\$ 45,000.00	200
Otter Tail	Cover crop metering system	\$ 20,000.00	2525
Renville	Materials to retrofit corn planter for no-till planting	\$ 5,880.00	640
Rock	Air seeder	\$ 45,000.00	1800
Rock	Air seeder	\$ 35,000.00	3000
St. Louis	Broadcast spreader, crimper, no-till drill & fence stretcher	\$ 14,470.50	25
Stearns	No-till drill	\$ 20,000.00	400
Steele	No-till drill & strip freshener	\$ 45,000.00	4950
Steele	Strip till bar	\$ 45,000.00	3600
Steele	Spiked closing wheels	\$ 1,518.00	300
Steele	Interseeder	\$ 43,750.00	2000
Stevens	Strip till machine	\$ 45,000.00	4450
Swift	Spinner seeder & row units for strip till machine	\$ 45,000.00	1609
Swift	No-till drill	\$ 25,000.00	500
Todd	Air cart & supercoulter with rolling chopper	\$ 19,108.95	1595
Wabasha	Variable intensity tillage tool with air seeder	\$ 45,000.00	1000
Wabasha	Agricultural drone	\$ 19,957.45	420
Winona	Air seeder	\$ 30,902.00	900
Winona	Vertical tillage tool (for cover crop seeding)	\$ 45,000.00	1500
Winona	No-till drill	\$ 34,950.00	215
Winona	Vertical tillage tool (for cover crop seeding)	\$ 45,000.00	650
Winona	Variable rate cover crop & fertilizer spreader	\$ 25,000.00	4500
Winona	Row cleaners	\$14,000.00	1500
	SUBTOTALS	\$ 1,047,155.60	56723

			Estimated Acres Affected
County	Equipment	Grant Award	Annually
Benton	Strip till machine	\$ 24,000.00	680
Cass	No-till drill	\$ 24,950.09	350
Clay	No-till planter	\$ 40,000.00	1150
Crow Wing	No-till planter	\$ 10,000.00	200
Dakota	No-till drill	\$ 45,000.00	600
Dodge	Roller crimper	\$ 28,125.00	3000
Douglas	No till planter	\$ 45,000.00	340
Faribault	Strip till machine	\$ 45,000.00	1915
Faribault	Strip till machine	\$ 35,000.00	3600
Fillmore	Vertical tillage tool (for cover crop seeding)	\$ 45,000.00	1100
Goodhue	No-till drill	\$ 28,500.00	400
Houston	No-till drill	\$ 34,078.00	330
Houston	No-till drill	\$ 30,000.00	800
Jackson	Cover crop applicator harrow	\$ 2,250.00	1000
Jackson	Air seeder	\$ 45,000.00	1000
Lyon	Cover crop seeder for strip till machine	\$ 45,000.00	2500
McLeod	Air seeder	\$ 3,730.00	1000
Morrison	No-till drill	\$ 45,000.00	750
Morrison	Materials to retrofit corn planter for no-till planting	\$ 2,232.00	400
Nicollet	Vertical tillage tool (for cover crop seeding)	\$ 45,000.00	1700
Olmsted	Row cleaners	\$ 16,580.00	1300
Pipestone	Strip till bar	\$ 45,000.00	2220
Pipestone	No-till planter	\$ 45,000.00	2220
Redwood	Air disc drill	\$ 45,000.00	1000
Redwood	No-till drill	\$ 45,000.00	4650
Redwood	No-till drill	\$ 9,500.00	1200
Redwood	No-till planter	\$ 45,000.00	2400
Redwood	Air seeder	\$ 45,000.00	2350
Renville	Agricultural drone	\$ 15,000.00	2000
Renville	Press drill	\$ 15,000.00	526
Renville	No-till coulter air seeder	\$ 45,000.00	1300
Scott	No-till drill	\$ 37,499.00	600
Stearns	No-till drill	\$ 23,950.00	165
Stearns	Agricultural drone	\$ 18,794.50	1000
Stearns	Agricultural drone	\$ 15,216.00	300
Stearns	Air seeder	\$ 45,000.00	2500
Steele	Strip till bar	\$ 45,000.00	5000
Steele	Air seeder	\$ 40,000.00	3500
Todd	Agricultural drone	\$ 17,724.00	690
Todd	Seeder	\$ 45,000.00	600
Todd	No-till drill	\$ 21,250.00	280
Traverse	Strip till machine	\$ 45,000.00	2000
Wabasha	No-till planter	\$ 45,000.00	800
Waseca	Strip till machine	\$ 45,000.00	1050
Waseca	Strip till cart	\$ 45,000.00	5000
Washington	Agricultural drone	\$ 17,299.50	1800
Winona	Air seeder & chopping row crop header	\$ 45,000.00	300

			Estimated Acres Affected
County	Equipment	Grant Award	Annually
Winona	No-till drill	\$ 45,000.00	600
Winona	Scale for no-till drill	\$ 2,614.00	175
Winona	No-till drill	\$ 7,500.00	150
Winona	Sprayer with Y-drops	\$ 45,000.00	600
Winona	Freeze-proof cattle waterers to facilitate cover crop grazing	\$ 13,500.00	40
Winona	Vertical tillage tool (for cover crop seeding)	\$ 45,000.00	478
Wright	Strip till machine	\$ 45,000.00	4000
	SUBTOTALS	\$ 1,749,292.09	75609