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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2773

03/09/2023

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The bill was read for the first time and referred to the Committee on Agriculture Finance and Policy

1.1 A bill for an act
1.2 relating to agriculture; establishing a hemp fiber processing equipment grant
1.3 program; appropriating money for hemp research and hemp fiber processing
1.4 equipment grants; proposing coding for new law in Minnesota Statutes, chapter
1.5 18K.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. 18K.10] HEMP FIBER PROCESSING EQUIPMENT GRANTS.

1.8 The commissioner must award grants to licensed processors who increase the state's
1.9 capacity to process industrial hemp fiber. Grants are limited to no more than \$200,000 of
1.10 processing equipment and reasonable equipment installation costs per processing location.
1.11 A licensed processor must match the grant with other funding equal to at least 25 percent
1.12 of the grant amount.

1.13 Sec. 2. APPROPRIATIONS.

1.14 (a) \$600,000 in fiscal year 2024 and \$600,000 in fiscal year 2025 are appropriated from
1.15 the general fund to the commissioner of agriculture to award and administer grants under
1.16 Minnesota Statutes, section 18K.10. Notwithstanding Minnesota Statutes, section 16A.28,
1.17 any unencumbered balance does not cancel at the end of fiscal year 2024 and is available
1.18 for fiscal year 2025.

1.19 (b) \$500,000 in fiscal year 2024 is appropriated from the general fund to the commissioner
1.20 of agriculture for industrial hemp research through the agriculture research, education,
1.21 extension, and technology transfer grant program under Minnesota Statutes, section 41A.14.