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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 2202

03/07/2019 Authored by Lippert, Poston, Poppe, Hamilton, Tabke and others
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to agriculture; establishing the next generation Minnesota farmer program;
1.3 requiring a report; appropriating money; proposing coding for new law in Minnesota
1.4 Statutes, chapter 17.

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

1.6 Section 1. [17.1019] NEXT GENERATION FARMER DEVELOPMENT PROGRAM.

1.7 Subdivision 1. Establishment. (a) The commissioner shall establish and administer a
1.8 next generation farmer development program to provide competitive grants to eligible farms.

1.9 (b) For purposes of this section, the following terms have the meanings given:

1.10 (1) "commissioner" means the commissioner of agriculture;

1.11 (2) "qualified agricultural business" means a business engaged in the growth, cultivation,
1.12 or raising of crops, livestock, poultry, dairy products, or poultry products, but not a facility
1.13 primarily engaged in processing agricultural products;

1.14 (3) "qualified intern" means an individual who:

1.15 (i) is at least 18 years of age;

1.16 (ii) is a legal resident of Minnesota;

1.17 (iii) has a demonstrable interest in pursuing a career in Minnesota agriculture; and

1.18 (iv) has five years or less experience of being employed in an agricultural role in either
1.19 a full-time or part-time capacity.

1.20 Subd. 2. Competitive grants and targeted development activities. The commissioner
1.21 shall award grants of up to \$10,000 per qualified agricultural business applicant. The grants

2.1 are to provide qualified interns the opportunity to work with qualified agricultural businesses  
2.2 in order to gain knowledge and skills necessary to seek advanced employment or  
2.3 entrepreneurial opportunities in Minnesota agriculture. The next generation farmer  
2.4 development program shall provide qualified interns:

2.5 (1) hands-on experience with the growth, cultivation, or raising of crops including the  
2.6 process of planting, tending, and harvesting;

2.7 (2) hands-on experience with the raising of livestock or poultry or the production of  
2.8 dairy or poultry products;

2.9 (3) an understanding of the day-to-day operations of the qualified agricultural business  
2.10 including issues related to workforce, regulatory compliance, and general operations;

2.11 (4) an understanding of the market economics impacting the portion of the agricultural  
2.12 economy in which the qualified intern is employed; and

2.13 (5) any other elements of farm operation necessary to prepare the qualified intern for a  
2.14 career in Minnesota agriculture.

2.15 Subd. 3. **General terms and conditions of grants.** (a) A grant made by the commissioner  
2.16 may not exceed 50 percent of the total cost of the intern's wages. The qualified agricultural  
2.17 business is responsible for paying the intern an hourly wage of no less than the state's  
2.18 minimum wage. The grant shall cover the difference between the state's minimum wage  
2.19 and a \$15 per hour wage.

2.20 (b) The qualified agricultural business must pay any overtime or other compensation  
2.21 required by law and maintain the necessary workers' compensation and other insurance  
2.22 coverages as provided by law.

2.23 (c) The term for a grant issued under this section is for seven months or less. A qualified  
2.24 intern may only receive grant funding twice in any five-year period.

2.25 (d) A qualified agricultural business may not submit more than two grant applications  
2.26 in a fiscal year. The grant amount for any qualified agricultural business may not exceed  
2.27 \$10,000. A qualified agricultural business may not receive grant funding for more than four  
2.28 years of internship assistance in any five-year period.

2.29 Subd. 4. **Application procedures.** (a) An applicant for a next generation farmer  
2.30 development grant shall submit to the commissioner an original completed application.  
2.31 Applications must be received by the commissioner by the application deadline.

2.32 (b) The application must include the following information:

3.1 (1) the name of the qualified agricultural business where the qualified intern will be  
3.2 employed, including the name of the individual or individuals authorized to negotiate and  
3.3 sign contracts and to receive and report on grant funds;

3.4 (2) a list of three references or letters of support listing the character, qualifications, and  
3.5 suitability of the qualified agricultural business;

3.6 (3) a general statement regarding which farmer development activities listed in  
3.7 subdivision 2 will be pursued as part of the internship; and

3.8 (4) a position description that includes the following:

3.9 (i) a statement of the internship's objectives and a statement of major work tasks stated  
3.10 in measurable and quantifiable terms whenever possible;

3.11 (ii) an identification of primary direct benefits of the internship for the qualified intern;

3.12 (iii) criteria for evaluating the success of the internship;

3.13 (iv) a statement regarding the anticipated internship starting and completion dates;

3.14 (v) an estimated budget for the cost of the internship, stating hours and the estimated  
3.15 amount requested for the grant; and

3.16 (5) a description of the personnel qualifications of those who would be assigned to the  
3.17 project.

3.18 (c) The commissioner shall consider an application upon its receipt. If an application is  
3.19 incomplete, the commissioner shall notify the applicant specifying the additional information  
3.20 required. The applicant has 20 days from the date on the commissioner's letter to provide  
3.21 the additional information. If there is no response to the commissioner's letter within 20  
3.22 days, the commissioner shall not consider the application further.

3.23 (d) The commissioner may require the applicant to submit other information reasonably  
3.24 related to a determination of applicant or project eligibility or project feasibility.

3.25 Subd. 5. **Application review; approval; notification.** (a) The commissioner shall review  
3.26 all applications. The commissioner shall determine whether an application shall be granted  
3.27 and the amount and terms of the grant. The commissioner shall weigh and compare all grant  
3.28 applications in light of the availability of funds.

3.29 (b) The following criteria shall be used by the commissioner in reviewing each grant  
3.30 application:

4.1 (1) whether the position description provided by the qualified agricultural business  
4.2 results in experience which supports the qualified intern's preparation for a potential career  
4.3 in agriculture, including both practical hands-on experiences and opportunities to learn  
4.4 business operations and management;

4.5 (2) the degree to which the activities listed in subdivision 2 will be incorporated into the  
4.6 position description;

4.7 (3) the degree to which similar or related projects by this applicant or other persons have  
4.8 been successful or unsuccessful; and

4.9 (4) the qualified agricultural business's past performance as a grantee under this program,  
4.10 if applicable.

4.11 (c) The commissioner shall notify the applicant in writing of the approval or disapproval  
4.12 of its grant application.

4.13 (d) The grant cycle should approximately be scheduled as follows:

4.14 (1) complete applications should be submitted by November 1 of the year before the  
4.15 grant year;

4.16 (2) notification of approval or disapproval should be done by January 5 of the grant year;

4.17 (3) funds shall be dispersed to an approved applicant within 60 days of notification; and

4.18 (4) grantee reports shall be submitted to the commissioner as provided in subdivision  
4.19 7.

4.20 Subd. 6. **Monitoring and review.** The grantee must keep records of all activities  
4.21 undertaken in connection with the implementation of the grant proposal. The books, records,  
4.22 documents, and accounting procedures and practices of the grantee related to the grant are  
4.23 subject to examination by the commissioner. The grantee must give the commissioner access  
4.24 during normal business hours to all business records related to the project.

4.25 Subd. 7. **Final report.** A grantee must return all unexpended grant funds and submit a  
4.26 final written report on the project within 60 days of the termination date of the contract. A  
4.27 grantee may submit additional information in the final report but the report must include  
4.28 the following information:

4.29 (1) an assessment regarding the completion of project objectives and work tasks as well  
4.30 as the results achieved, written, to the extent possible, in measurable and quantifiable terms;

4.31 (2) an assessment of further experience that may be necessary with respect to the  
4.32 objectives of the internship, based on the experience gained during the internship; and

5.1 (3) a complete financial statement accounting for all expenditures of grant funds.

5.2 Subd. 8. **Biennial report required.** No later than March 15 each odd-numbered year,  
5.3 the commissioner shall report program outcomes and recommendations to the legislative  
5.4 committees and divisions with jurisdiction over agriculture policy and finance.

5.5 Subd. 9. **Citation.** This act may be cited as the "Next Generation Minnesota Farmer  
5.6 Act."

5.7 Sec. 2. **APPROPRIATION.**

5.8 \$250,000 in fiscal year 2020 and \$250,000 in fiscal year 2021 are appropriated from the  
5.9 general fund to the commissioner of agriculture for purposes of section 1.