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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

NINETY-SECOND SESSION

**H. F. No. 4111**

03/07/2022

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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 cooperative grants; proposing coding for new
- 1.3 law in Minnesota Statutes, chapter 17.
- 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5 Section 1. **[17.1016] COOPERATIVE GRANTS.**
- 1.6 Subdivision 1. **Definitions.** For purposes of this section:
- 1.7 (1) "agricultural commodity" has the meaning given in section 17.101, subdivision 5;
- 1.8 (2) "agricultural product processing facility" has the meaning given in section 17.101,
- 1.9 subdivision 5; and
- 1.10 (3) "agricultural service" means an action made under the direction of a farmer that
- 1.11 provides value to another entity. Agricultural service includes grazing to manage vegetation.
- 1.12 Subd. 2. **Grant program.** (a) The commissioner may establish and implement a grant
- 1.13 program to help farmers finance new cooperatives that organize for purposes of operating
- 1.14 an agricultural product processing facility or marketing an agricultural product or agricultural
- 1.15 service.
- 1.16 (b) To be eligible for this program, a grantee must:
- 1.17 (1) be a cooperative organized under chapter 308A;
- 1.18 (2) certify that all control and equity in the cooperative is from farmers, family farm
- 1.19 partnerships, family farm limited liability companies, or family farm corporations as defined
- 1.20 in section 500.24, subdivision 2, who are actively engaged in agricultural commodity
- 1.21 production;

2.1 (3) be operated primarily to process agricultural commodities or market agricultural  
2.2 products or services produced in Minnesota; and

2.3 (4) receive agricultural commodities produced primarily by shareholders or members  
2.4 of the cooperative.

2.5 (c) The commissioner may receive applications and make grants up to \$50,000 to eligible  
2.6 grantees for feasibility, marketing analysis, assistance with organizational development,  
2.7 financing and managing new cooperatives, product development, development of business  
2.8 and marketing plans, and predesign of facilities including site analysis, development of bid  
2.9 specifications, preliminary blueprints and schematics, and completion of purchase agreements  
2.10 and other necessary legal documents.