ARTICLE 1
AGRICULTURE APPROPRIATIONS

Section 1. Laws 2021, First Special Session chapter 3, article 1, section 2, is amended to read:

Sec. 2.
DEPARTMENT OF AGRICULTURE

Subdivision 1. Total Appropriation $63,803,000 $107,910,000

Appropriations by Fund

<table>
<thead>
<tr>
<th>Year</th>
<th>General</th>
<th>Remediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>63,404,000</td>
<td>399,000</td>
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<tr>
<td>2023</td>
<td>107,511,000</td>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Protection Services

Appropriations by Fund

<table>
<thead>
<tr>
<th>Year</th>
<th>General</th>
<th>Remediation</th>
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<tbody>
<tr>
<td>2022</td>
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<td>2023</td>
<td>20,810,000</td>
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</table>

The amounts that may be spent for each purpose are specified in the following subdivisions.

(a) $399,000 the first year and $399,000 the second year are from the remediation fund for administrative funding for the voluntary cleanup program.

(b) $175,000 the first year and $175,000 the second year are for compensation for destroyed or crippled livestock under Minnesota Statutes, section 3.737. The first

ARTICLE 1
AGRICULTURE APPROPRIATIONS

Section 1. Laws 2021, First Special Session chapter 3, article 1, section 2, is amended to read:

Sec. 2.
DEPARTMENT OF AGRICULTURE

Subdivision 1. Total Appropriation $60,653,000 $62,760,000

Appropriations by Fund

<table>
<thead>
<tr>
<th>Year</th>
<th>General</th>
<th>Remediation</th>
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<tbody>
<tr>
<td>2022</td>
<td>60,254,000</td>
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</tr>
<tr>
<td>2023</td>
<td>62,361,000</td>
<td>399,000</td>
</tr>
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</table>

(a) $399,000 the first year and $399,000 the second year are from the remediation fund for administrative funding for the voluntary cleanup program.

(b) $175,000 the first year and $175,000 the second year are for compensation for destroyed or crippled livestock under Minnesota Statutes, section 3.737. The first
2.31 year appropriation may be spent to compensate  
2.32 for livestock that were destroyed or crippled  
2.33 during fiscal year 2021. If the amount in the  
2.34 first year is insufficient, the amount in the  
2.35 second year is available in the first year. The  
2.36 commissioner may use up to $5,000 each year  
3.1 to reimburse expenses incurred by university  
3.2 extension educators to provide fair market  
3.3 values of destroyed or crippled livestock. If  
3.4 the commissioner receives federal dollars to  
3.5 pay claims for destroyed or crippled livestock,  
3.6 an equivalent amount of this appropriation  
3.7 may be used to reimburse nonlethal prevention  
3.8 methods performed by federal wildlife services  
3.9 staff.  
3.10 (c) $155,000 the first year and $155,000 the  
3.11 second year are for compensation for crop  
3.12 damage under Minnesota Statutes, section  
3.13 3.7371. If the amount in the first year is  
3.14 insufficient, the amount in the second year is  
3.15 available in the first year. The commissioner  
3.16 may use up to $10,000 of the appropriation  
3.17 each year to reimburse expenses incurred by  
3.18 the commissioner or the commissioner’s  
3.19 approved agent to investigate and resolve  
3.20 claims, as well as for costs associated with  
3.21 training for approved agents. The  
3.22 commissioner may use up to $20,000 of the  
3.23 appropriation each year to make grants to  
3.24 producers for measures to protect stored crops  
3.25 from elk damage.  
3.26 If the commissioner determines that claims  
3.27 made under Minnesota Statutes, section 3.737  
3.28 or 3.7371, are unusually high, amounts  
3.29 appropriated for either program may be  
3.30 transferred to the appropriation for the other  
3.31 program.  
3.32

2.23 year appropriation may be spent to compensate  
2.24 for livestock that were destroyed or crippled  
2.25 during fiscal year 2021. If the amount in the  
2.26 first year is insufficient, the amount in the  
2.27 second year is available in the first year. The  
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2.32 the commissioner receives federal dollars to  
2.33 pay claims for destroyed or crippled livestock,  
2.34 an equivalent amount of this appropriation  
2.35 may be used to reimburse nonlethal prevention  
2.36 methods performed by federal wildlife services  
2.37 staff.  
2.38 (c) $155,000 the first year and $155,000 the  
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2.46 the commissioner or the commissioner’s  
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2.48 claims, as well as for costs associated with  
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2.50 commissioner may use up to $20,000 of the  
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2.52 producers for measures to protect stored crops  
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2.55 made under Minnesota Statutes, section 3.737  
2.56 or 3.7371, are unusually high, amounts  
2.57 appropriated for either program may be  
2.58 transferred to the appropriation for the other  
2.59 program.  
2.60 (d) $1,000,000 the second year is to reimburse  
2.61 feed, veterinary, and other expenses incurred;  
2.62 and offset revenue lost by owners of farmed  
2.63 white-tailed deer registered under Minnesota  
2.64 Statutes, section 35.155, due to movement
bans imposed by the commissioner of natural
resources in emergency rules between
December 2019 and December 2021. The
commissioner may use payments of up to
$5,000 on a first-come, first-served,
noncompetitive basis. In order to receive a
payment, a recipient must sign an attestation
of the value of the loss suffered. Grants must
be limited to the value of the loss or $5,000,
whichever is less. However, if funds remain
after payments have been made to all eligible
applicants, the commissioner shall make
additional payments on a pro rata basis. This
is a onetime appropriation and is available
until June 30, 2024. Beginning February 1,
2023, and annually thereafter until February
1, 2025, the commissioner must report on the
reimbursements under this section by county
to the legislative committees with jurisdiction
over agriculture finance.

(e) $225,000 the first year and $225,000 the
second year are for additional funding for the
noxious weed and invasive plant program.

(f) $2,000,000 the second year is for a transfer
to the noxious weed and invasive plant species
assistance account established under
Minnesota Statutes, section 18.89, for grants
to local units of government and Tribal
Nations for noxious weed detection, control,
and management. Of this amount, the
commissioner must award a onetime grant of
$10,000 to each county to assist county
agricultural inspectors in the implementation
and enforcement of the Minnesota Noxious
Weed Law and to educate county residents
regarding agricultural topics, including but
not limited to noxious weeds. This is a onetime
appropriation.

(f) $50,000 the first year is for additional
funding for the industrial hemp program for
IT development. This is a onetime
appropriation and is available until June 30, 2023.

4.22 (f) $110,000 the first year and $110,000 the second year are for additional meat and poultry inspection services. The commissioner is encouraged to seek inspection waivers, matching federal dollars, and offer more online inspections for the purposes under this paragraph.

4.23 (g) $110,000 the first year and $110,000 the second year are for additional meat and poultry inspection services. The commissioner is encouraged to seek inspection waivers, matching federal dollars, and offer more online inspections for the purposes under this paragraph.

4.24 (h) $825,000 the first year and $825,000 the second year are to replace capital equipment in the Department of Agriculture’s analytical laboratory.

5.1 (i) $274,000 the first year and $550,000 the second year are to maintain the current level of service delivery.

5.2 (j) $100,000 the second year is to support laboratory testing for the Minnesota meat and poultry inspection program. The base for this appropriation is $50,000 in fiscal year 2024 and thereafter.

5.3 (k) $6,500,000 the second year is for grants to the Board of Regents of the University of Minnesota to fund the Forever Green Agriculture Initiative and protect the state’s natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter annual crops into existing agricultural practices. Of this amount, up to $5,000,000 is for equipment and physical infrastructure to support breeding and agronomic activities necessary to develop perennial and winter annual crops. This onetime appropriation is available until June 30, 2028.

5.4 (l) $9,000,000 the second year is for grants to organizations in Minnesota to develop enterprises, supply chains, and markets for continuous living cover crops and cropping.

5.5 (m) $50,000 the second year is for grants to organizations in Minnesota to develop enterprises, supply chains, markets for continuous living cover crops and cropping.
systems in the early stage of commercial development. Kernza perennial grain, winter camelina, hybrid hazelnuts, and elderberry. A grant award must not exceed $750,000 per organization. A multiyear project may receive grant dollars for up to three years. In consultation with interested stakeholders, the commissioner must develop a process to award grants. At the time of application, the commissioner must notify applicants of any grant recipient requirements. The commissioner must appoint a technical review panel to review and rank eligible applicants and give preference to applicants that are well-positioned to expand the profitable commercialization of the crops identified in this paragraph. The technical review panel must include at least one representative from the University of Minnesota’s Forever Green Initiative and one representative from the Agricultural Utilization Research Institute. The commissioner must consider the recommendations of the technical review panel when selecting grant recipients. Beginning February 1, 2023, and annually thereafter until February 1, 2029, the commissioner must submit a report on grant utilization to the legislative committees with jurisdiction over agriculture finance and policy. This is a onetime appropriation and is available until June 30, 2028.

(m) $6,725,000 the second year is for the soil health financial assistance program. This is a onetime appropriation and is available until June 30, 2027.

(n) $2,000,000 the second year is for transfer to the pollinator research account established under Minnesota Statutes, section 18B.051. This is a onetime appropriation.

(o) $371,000 the second year is to regulate plastic-coated fertilizer and plastic-coated systems in the early stage of commercial development. Kernza perennial grain, winter camelina, hybrid hazelnuts, and elderberry. A multiyear project may receive grant money for up to three years. This is a onetime appropriation and is available until June 30, 2027.

In consultation with interested stakeholders, the commissioner must develop a process to award grants. At the time of application, the commissioner must provide to the applicant information about requirements for grant recipients. The commissioner must appoint a technical review panel to review and rank eligible applicants and give preference to applicants that are well-positioned to expand the profitable commercialization of the Kernza perennial grain, winter camelina, hybrid hazelnuts, and elderberry. The technical review panel must include at least one representative from the Forever Green Initiative and one representative from the Agricultural Utilization Research Institute. The commissioner must consider the technical review panel recommendations when selecting grant recipients.
pesticide. The base for this appropriation is 
$358,000 in fiscal year 2024 and thereafter.

7.1 (p) $100,000 is to develop and promote 
consumer guidance regarding seed treated with 
nicotinoid pesticide under Minnesota 
Statutes, section 21.915. This is a onetime 
appropriation.

7.6 (q) $425,000 is to analyze, develop, and plan 
a streamlined food safety regulatory program 
in Minnesota. This is a onetime appropriation 
and is available until June 30, 2025.

Subd. 3. Agricultural Marketing and 
Development

(a) $186,000 the first year and $186,000 the 
second year are for transfer to the Minnesota 
grown account and may be used as grants for 
Minnesota grown promotion under Minnesota 
Statutes, section 17.102. Grants may be made 
for one year. Notwithstanding Minnesota 
Statutes, section 16A.28, the appropriations 
encumbered under contract on or before June 
30, 2023, for Minnesota grown grants in this 
paragraph are available until June 30, 2025.

(b) $50,000 the first year is to expand 
international marketing opportunities for 
farmers and value-added processors, including 
in-market representation in Taiwan. This is a 
onetime appropriation and is available until 

(c) $634,000 the first year and $634,000 the 
second year are for continuation of the dairy 
development and profitability enhancement 
programs including dairy profitability teams 
and dairy business planning grants under 
Minnesota Statutes, section 32D.30.

(d) $50,000 the first year and $50,000 the 
second year are for additional funding for 
mental health outreach and support to farmers 
and others in the agricultural community,
including a 24-hour hotline, stigma reduction, and educational offerings. These are onetime appropriations.

(c) The commissioner may use funds appropriated in this subdivision for annual cost-sharing payments to resident farmers or entities that sell, process, or package agricultural products in this state for the costs of organic certification. The commissioner may allocate these funds for assistance to persons transitioning from conventional to organic agriculture.

(f) $100,000 the first year and $100,000 the second year are for the farm safety grant and outreach programs under Minnesota Statutes, section 17.1195. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available in the second year. These are onetime appropriations.

(g) $54,000 the first year and $109,000 the second year are to maintain the current level of service delivery.

(h) $1,250,000 the second year is to create and implement a program to support farmers markets and direct marketing producers. Of this amount, $1,000,000 is for a grant to the Minnesota Farmers’ Market Association for awards to farmers’ markets not exceeding $5,000 per market location for equipment and infrastructure. The Minnesota Farmers’ Market Association may use up to 6.5 percent of the grant awarded under this paragraph for administrative expenses. This is a onetime appropriation and is available until June 30, 2024.

(i) $10,000 the second year is appropriated from the general fund to the commissioner of agriculture to study and report on the state of regional and local food systems in Minnesota, including recommendations for strengthening local and regional food systems. No later than include a 24-hour hotline, stigma reduction, and educational offerings. These are onetime appropriations.

(e) The commissioner may use funds appropriated in this subdivision for annual cost-sharing payments to resident farmers or entities that sell, process, or package agricultural products in this state for the costs of organic certification. The commissioner may allocate these funds for assistance to persons transitioning from conventional to organic agriculture.
February 1, 2023, the commissioner must submit the report to the legislative committees with jurisdiction over agriculture policy and finance. This is a onetime appropriation.

Subd. 4. Agriculture, Bioenergy, and Bioproduct Advancement

(a) $9,300,000 the first year and $9,300,000 the second year are for transfer to the agriculture research, education, extension, and technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3. Of these amounts: at least $600,000 the first year and $600,000 the second year are for the Minnesota Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes, section 41A.14, subdivision 1, clause (2); $2,000,000 the first year and $2,000,000 the second year are for grants to the Minnesota Agriculture Education Leadership Council to enhance agricultural education with priority given to Farm Business Management challenge grants; $350,000 the first year and $350,000 the second year are for potato breeding; and $450,000 the first year and $450,000 the second year are for the cultivated wild rice breeding project at the North Central Research and Outreach Center to include a tenure track/research associate plant breeder. The commissioner shall transfer the remaining funds in this appropriation each year to the Board of Regents of the University of Minnesota for purposes of Minnesota Statutes, section 41A.14. Of the amount transferred to the Board of Regents, up to $1,000,000 each year is for research on avian influenza, salmonella, and other turkey-related diseases. By January 15, 2023, entities receiving grants for potato breeding and wild rice breeding are requested to report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture policy and finance. This is a onetime appropriation.
legislative committees with jurisdiction over agriculture and higher education regarding the use of the grant money and to provide an update on the status of research and related accomplishments.

To the extent practicable, money expended under Minnesota Statutes, section 41A.14, subdivision 1, clauses (1) and (2), must supplement and not supplant existing sources and levels of funding. The commissioner may use up to one percent of this appropriation for costs incurred to administer the program.

(b) $16,028,000 the first year and $16,028,000 the second year are for the agricultural growth, research, and innovation program under Minnesota Statutes, section 41A.12. Except as provided below, the commissioner may allocate the appropriation each year among the following areas: facilitating the start-up, modernization, improvement, or expansion of livestock operations including beginning and transitioning livestock operations with preference given to robotic dairy-milking equipment; providing funding not to exceed $800,000 each the first year to develop and enhance farm-to-school markets for Minnesota farmers by providing more fruits, vegetables, meat, grain, and dairy for Minnesota children in school and child care settings including, at the commissioner's discretion, reimbursing schools for purchases from local farmers; assisting value-added agricultural businesses to begin or expand, to access new markets, or to diversify, including plant-based foods and aquaponics systems; providing funding not to exceed $600,000 each the first year for urban youth agricultural education or urban agriculture community development of which $10,000 each year is for transfer to the emerging farmer account under Minnesota Statutes, section 17.055, subdivision 1a;
providing funding not to exceed $450,000 each year for the good food access program under Minnesota Statutes, section 17.1017; facilitating the start-up, modernization, or expansion of other beginning and transitioning farms including by providing loans under Minnesota Statutes, section 41B.056; sustainable agriculture on-farm research and demonstration; development or expansion of food hubs and other alternative community-based food distribution systems; enhancing renewable energy infrastructure and use; crop research; Farm Business Management tuition assistance; and good agricultural practices and good handling practices certification assistance. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program.

Of the amount appropriated for the agricultural growth, research, and innovation program under Minnesota Statutes, section 41A.12:

(1) $1,000,000 the first year and $1,000,000 the second year are for distribution in equal amounts to each of the state's county fairs to preserve and promote Minnesota agriculture;

(2) $4,500,000 the first year and $4,500,000 the second year are for incentive payments and paying claims not otherwise paid under Minnesota Statutes, sections 41A.16, 41A.17, 41A.18, and 41A.20. Notwithstanding Minnesota Statutes, section 16A.28, the first year appropriation is available until June 30, 2023, and the second year appropriation is available until June 30, 2024. If this appropriation exceeds the total amount for which all producers are eligible in a fiscal year, the balance of the appropriation is available for other purposes under this paragraph.

The base appropriation under this clause is $6,500,000 in fiscal year 2024 and thereafter.

exceed $450,000 each year for the good food access program under Minnesota Statutes, section 17.1017; facilitating the start-up, modernization, or expansion of other beginning and transitioning farms including by providing loans under Minnesota Statutes, section 41B.056; sustainable agriculture on-farm research and demonstration; development or expansion of food hubs and other alternative community-based food distribution systems; enhancing renewable energy infrastructure and use; crop research; Farm Business Management tuition assistance; and good agricultural practices and good handling practices certification assistance. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program.

Of the amount appropriated for the agricultural growth, research, and innovation program under Minnesota Statutes, section 41A.12:

(1) $1,000,000 the first year and $1,000,000 the second year are for distribution in equal amounts to each of the state's county fairs to preserve and promote Minnesota agriculture;

(2) $4,500,000 the first year and $4,500,000 the second year are for incentive payments and paying claims not otherwise paid under Minnesota Statutes, sections 41A.16, 41A.17, 41A.18, and 41A.20. Notwithstanding Minnesota Statutes, section 16A.28, the first year appropriation is available until June 30, 2023, and the second year appropriation is available until June 30, 2024. If this appropriation exceeds the total amount for which all producers are eligible in a fiscal year, the balance of the appropriation is available for other purposes under this paragraph;
(3) $3,000,000 the first year and $3,000,000 the second year are for grants that enable retail petroleum dispensers, fuel storage tanks, and other equipment to dispense biofuels to the public in accordance with the biofuel replacement goals established under Minnesota Statutes, section 239.7911. A retail petroleum dispenser selling petroleum for use in spark ignition engines for vehicle model years after 2000 is eligible for grant money under this clause if the retail petroleum dispenser has no more than 10 retail petroleum dispensing sites and each site is located in Minnesota. The grant money must be used to replace or upgrade equipment that does not have the ability to be certified for E25. A grant award must not exceed 65 percent of the cost of the appropriate technology. A grant award must not exceed $200,000 per station. The commissioner must cooperate with biofuel stakeholders in the implementation of the grant program. The commissioner, in cooperation with any economic or community development financial institution and any other entity with which it contracts, must submit a report on the biofuels infrastructure financial assistance program by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance. The annual report must include but not be limited to a summary of the following metrics: (i) the number and types of projects financed; (ii) the amount of dollars leveraged or matched per project; (iii) the geographic distribution of financed projects; (iv) any market expansion associated with upgraded infrastructure; (v) the demographics of the areas served; (vi) the costs of the program; and (vii) the number of grants to minority-owned or female-owned businesses;

(4) $750,000 the first year and $750,000 the second year are for grants to

$3,750,000 the second year are for grants to
facilitate the start-up, modernization, or expansion of meat, poultry, egg, and milk processing facilities. A grant award under this clause must not exceed $200,000. Any unencumbered balance at the end of the second year does not cancel until June 30, 2024, and may be used for other purposes under this paragraph. The appropriations under this clause are onetime.

(5) $1,400,000 the first year and $1,400,000 the second year are for livestock investment grants under Minnesota Statutes, section 17.118. Any unencumbered balance at the end of the second year does not cancel until June 30, 2024, and may be used for other purposes under this paragraph. The appropriations under this clause are onetime.

(6) $300,000 the second year is for farm business management tuition assistance with priority to specialty crop farmers, urban farmers, and farmers facing mediation; and support for new urban and specialty crop instructor positions, including translation and outreach. Any unencumbered balance at the end of the second year does not cancel and is available until June 30, 2024. The appropriation under this clause is onetime.

(7) $1,600,000 the second year is to develop and enhance farm-to-school markets for Minnesota farmers by providing more fruits, vegetables, meat, grain, and dairy for Minnesota children in school and child care settings, including reimbursing schools and child care providers for purchases from local farmers;

(8) $1,000,000 the second year is for urban youth agricultural education or urban agriculture community development. Of this amount, $10,000 is for transfer to the
emerging farmer account under Minnesota Statutes, section 17.055, subdivision 1a; and

(9) $1,000,000 the second year is for the good food access program under Minnesota Statutes, section 17.1017.

12.25 Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available for the second year, and appropriations encumbered under contract on or before June 30, 2023, for agricultural growth, research, and innovation grants are available until June 30, 2026.

12.26 The base amount for the agricultural growth, research, and innovation program is $16,053,000 in fiscal year 2024 and $18,995,000 in fiscal year 2025, and includes funding for incentive payments under Minnesota Statutes, sections 41A.16, 41A.17, 41A.18, and 41A.20.

12.27 (c) $15,000 the first year and $29,000 the second year are to maintain the current level of service delivery.

12.28 Subd. 5. Administration and Financial Assistance

<table>
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<tbody>
<tr>
<td></td>
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<td>25,302,000</td>
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12.29 (a) $474,000 the first year and $474,000 the second year are for payments to county and district agricultural societies and associations under Minnesota Statutes, section 38.02.

12.30 subdivision 1. Aid payments to county and district agricultural societies and associations shall be disbursed no later than July 15 of each year. These payments are the amount of aid from the state for an annual fair held in the previous calendar year.

12.31 (b) $387,000 the first year and $337,000 the second year are for farm advocate services. Of these amounts, $100,000 the first year and
$50,000 the second year are for a pilot program creating farmland access teams to provide technical assistance to potential beginning farmers. The farmland access teams must assist existing farmers and beginning farmers on transitioning farm ownership and operation. Services provided by teams may include but are not limited to providing mediation assistance, designing contracts, financial planning, tax preparation, estate planning, and housing assistance. Of this amount for farm transitions, up to $50,000 the first year may be used to upgrade the Minnesota FarmLink web application that connects farmers looking for land with farmers looking to transition their land. (c) $47,000 the first year and $47,000 the second year are for grants to the Northern Crops Institute that may be used to purchase equipment. These are onetime appropriations. (d) $238,000 the first year and $238,000 the second year are for transfer to the Board of Trustees of the Minnesota State Colleges and Universities for statewide mental health counseling support to farm families and business operators through the Minnesota State Agricultural Centers of Excellence. South Central College and Central Lakes College shall serve as the fiscal agents, a pass-through grant to Region Five Development Commission to provide, in collaboration with Minnesota Farm Business Management, statewide mental health counseling support to Minnesota farm operators, families, and employees; and (2) for support to individuals who work with Minnesota farmers and ranchers in a professional capacity. Region Five Development Commission may use up to 6.5 percent of the grant awarded under this paragraph for administration. (e) $1,700,000 the first year and $1,700,000 the second year are for grants to Second Harvest Heartland on behalf of Minnesota's
six Feeding America food banks for the following:

(1) to purchase milk for distribution to Minnesota's food shelves and other charitable organizations that are eligible to receive food from the food banks. Milk purchased under the grants must be acquired from Minnesota milk processors and based on low-cost bids. The milk must be allocated to each Feeding America food bank serving Minnesota according to the formula used in the distribution of United States Department of Agriculture commodities under The Emergency Food Assistance Program. Second Harvest Heartland may enter into contracts or agreements with food banks for shared funding or reimbursement of the direct purchase of milk. Each food bank that receives funding under this clause may use up to two percent for administrative expenses;

(2) to compensate agricultural producers and processors for costs incurred to harvest and package for transfer surplus fruits, vegetables, and other agricultural commodities that would otherwise go unharvested, be discarded, or sold in a secondary market. Surplus commodities must be distributed statewide to food shelves and other charitable organizations that are eligible to receive food from the food banks. Surplus food acquired under this clause must be from Minnesota producers and processors. Second Harvest Heartland may use up to 15 percent of each grant awarded under this clause for administrative and transportation expenses; and

(3) to purchase and distribute protein products, including but not limited to pork, poultry, beef, dry legumes, cheese, and eggs to Minnesota's food shelves and other charitable organizations that are eligible to receive food from the food banks. Second Harvest Heartland may use up to two percent of each grant awarded under
this clause for administrative expenses. Protein products purchased under the grants must be acquired from Minnesota processors and producers.

Of the amount appropriated under this paragraph, at least $600,000 each year must be allocated under clause (1). Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance the first year does not cancel and is available in the second year. Second Harvest Heartland must submit quarterly reports to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance in the form prescribed by the commissioner. The reports must include but are not limited to information on the expenditure of funds, the amount of milk or other commodities purchased, and the organizations to which this food was distributed.

(f) $250,000 the first year and $250,000 the second year are for grants to the Minnesota Agricultural Education and Leadership Council for programs of the council under Minnesota Statutes, chapter 41D.

(g) $1,437,000 the first year and $1,437,000 the second year are for transfer to the agricultural and environmental revolving loan account established under Minnesota Statutes, section 17.117, subdivision 5a, for low-interest loans under Minnesota Statutes, section 17.117. The base for appropriations under this paragraph in fiscal year 2024 and thereafter is $1,425,000. The commissioner must examine how the department could use up to one-third of the amount transferred to the agricultural and environmental revolving loan account under this paragraph to award grants to rural landowners to replace septic systems that inadequately protect groundwater. No later than February 1, 2022, the commissioner must examine how the department could use up to one-third of the amount transferred to the agricultural and environmental revolving loan account under this paragraph to award grants to rural landowners to replace septic systems that inadequately protect groundwater. No later than February 1, 2022, the commissioner must examine how the department could use up to one-third of the amount transferred to the agricultural and environmental revolving loan account under this paragraph to award grants to rural landowners to replace septic systems that inadequately protect groundwater.
must report to the legislative committees with jurisdiction over agriculture finance and environment finance on the results of the examination required under this paragraph. The commissioner's report may include other funding sources for septic system replacement that are available to rural landowners.

(h) $50,000 the second year is for the agriculture best management practices grant program under Minnesota Statutes, section 17.1162. This is a onetime appropriation.

(i) $150,000 the first year and $150,000 the second year are for grants to the Center for Rural Policy and Development. These are onetime appropriations.

(j) $150,000 the first year is to provide grants to Central Lakes College for the purposes of designing, building, and offering credentials in the area of meat cutting and butchery that align with industry needs as advised by local industry advisory councils. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available for the second year. The commissioner may only award a grant under this paragraph if the grant is matched by a like amount from another funding source. The commissioner must seek matching dollars from Minnesota State Colleges and Universities or other entities. The appropriation is onetime and is available until June 30, 2024. Any money remaining on June 30, 2024, must be transferred to the agricultural growth, research, and innovation program under Minnesota Statutes, section 41A.12, and is available until June 30, 2025. Grants may be used for costs including but not limited to:

1. Facility renovation to accommodate meat cutting;
(2) curriculum design and approval from the Higher Learning Commission;

(3) program operational start-up costs;

(4) equipment required for a meat cutting program; and

(5) meat handling start-up costs in regard to meat access and market channel building.

No later than January 15, 2023, Central Lakes College must submit a report outlining the use of grant money to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture and higher education.

(j) $2,000 the first year is for grants to the Minnesota State Poultry Association. This is a onetime appropriation. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(k) $17,000 the first year and $17,000 the second year are for grants to the Minnesota State Horticultural Society. These are onetime appropriations.

(l) $18,000 the first year and $18,000 the second year are for grants to the Minnesota Livestock Breeders Association. These are onetime appropriations.

The commissioner shall continue to increase connections with ethnic minority and immigrant farmers to farming opportunities and farming programs throughout the state.

(m) $25,000 the first year and $25,000 the second year are for grants to the Southern Minnesota Initiative Foundation to promote local foods through an annual event that raises public awareness of local foods and connects
local food producers and processors with
potential buyers.

$75,000 the first year and $75,000 the
second year are for grants to Greater Mankato
Growth, Inc., for assistance to
agriculture-related businesses to promote jobs,
innovation, and synergy development. These
are onetime appropriations.

$75,000 the first year and $75,000 the
second year are for grants to Greater Mankato
Growth, Inc., for assistance to
agriculture-related businesses to promote jobs,
innovation, and synergy development. These
are onetime appropriations.

Growth, Inc., for assistance to
agriculture-related businesses to promote jobs,
innovation, and synergy development. These
are onetime appropriations.

$75,000 the first year and $75,000 the
second year are for grants to Greater Mankato
Growth, Inc., for assistance to
agriculture-related businesses to promote jobs,
innovation, and synergy development. These
are onetime appropriations.

$75,000 the first year and $75,000 the
second year are for grants to Greater Mankato
Growth, Inc., for assistance to
agriculture-related businesses to promote jobs,
innovation, and synergy development. These
are onetime appropriations.

$75,000 the first year and $75,000 the
second year are for grants to the Minnesota
Turf Seed Council for basic and applied
research. The Minnesota Turf Seed Council
may subcontract with a qualified third party
for some or all of the basic or applied research.
No later than January 15, 2023, the Minnesota
Turf Seed Council must submit a report
outlining the use of the grant money and
related accomplishments to the chairs and
ranking minority members of the legislative
committees with jurisdiction over agriculture.
These are onetime appropriations. Any
unencumbered balance does not cancel at the
end of the first year and is available for the
second year.

$150,000 the first year and $150,000 the
second year are to establish an emerging
farmer office and hire a full-time emerging
farmer outreach coordinator. The emerging
farmer outreach coordinator must engage and
support emerging farmers regarding resources
and opportunities available throughout the
Department of Agriculture and the state. For
purposes of this paragraph, "emerging farmer"
has the meaning provided in Minnesota
Statutes, section 17.055, subdivision 1. Of the
amount appropriated each year, $25,000 is for
translation services for farmers and cottage
food producers.

$222,000 the first year and $286,000 the
second year are to maintain the current level
of service delivery.
(g) $2,600,000 the second year is for grants to organizations to provide technical and culturally appropriate services to emerging farmers and related businesses; and

(2) help emerging farmers pay for up to two years of coverage under the federal micro farm insurance program.

The commissioner may use up to 6.5 percent of this appropriation for administrative costs. This is a onetime appropriation and is available until June 30, 2024.

(h) $2,000,000 the second year is to support the IT modernization efforts, including laying the technology foundations needed for improving customer interactions with the department for licensing and payments. This is a onetime appropriation and is available until June 30, 2025.

(i) $4,500,000 the first year is for transfer to the agricultural emergency account established under Minnesota Statutes, section 17.041, for emergency preparedness and response activities. Of this amount, up to $1,500,000 is for the University of Minnesota Veterinary Diagnostic Laboratory. This is a onetime appropriation.

Notwithstanding Minnesota Statutes, section 17.041, the commissioner may use the amount to be transferred for the purposes identified under Laws 2022, chapter 47, section 2, paragraph (b). This paragraph expires on December 31, 2022.
5.25 report expenditures under this paragraph to
5.26 the legislative committees with jurisdiction
5.27 over agriculture finance and higher education
5.28 with an initial report completed by January 3,
5.29 2023, and a final report by September 1, 2023.
5.30 The reports must include a list of equipment
5.31 purchased, including the cost of each item.
5.32 This is a onetime appropriation that is
5.33 available until June 30, 2023.

24.1 (v) $3,000,000 the second year is for grants
24.2 to Second Harvest Heartland for hunger relief.
24.3 Of this amount, $500,000 is for The Good
24.4 Acre's Local Emergency Assistance Farmer
24.5 Fund (LEAFF) program. The base for this
24.6 appropriation is $1,350,000 in fiscal year 2024
24.7 and $1,300,000 in fiscal year 2025, of which
24.8 $250,000 each year is for the LEAFF program.

24.9 (w) $500,000 the second year is for transfer
24.10 to the Board of Trustees of the Minnesota
24.11 State Colleges and Universities to support
24.12 livestock processing technical education at
24.13 Central Lakes College and Ridgewater
24.14 College. Money may be used for the purposes
24.15 included in paragraph (t) and for student
24.16 financial assistance and outreach to
24.17 prospective students and employers. The
24.18 commissioner may only transfer money under
24.19 this paragraph if the transferred amount is
24.20 matched by a like amount from another
24.21 funding source. This is a onetime
24.22 appropriation and is available until June 30,
24.23 2024.

24.24 (x) $141,000 the second year is for additional
24.25 funding to administer the beginning farmer
24.26 tax credit. The base for this appropriation is
24.27 $56,000 in fiscal year 2024 and $0 in fiscal
24.28 year 2025.

24.29 (g) $1,500,000 the second year is for a grant
24.30 to the Ag Innovation Campus to continue
24.31 construction of a soybean processing and
23.5 (w) $500,000 the first year is for continuing
23.6 construction of the soybean processing and
23.7 research facility at the Ag Innovation Campus.
This is a onetime appropriation.

Beginning February 1, 2023, and annually thereafter until February 1, 2028, the commissioner shall submit a report on the utilization of the grants to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance.

The commissioner must provide the state aquaculture plan to the legislative committees with jurisdiction over agriculture finance and policy by February 15, 2023. This is a onetime appropriation. It is available until December 31, 2026.

The commissioner must provide the state aquaculture plan to the legislative committees with jurisdiction over agriculture finance and policy by February 15, 2024. This is a onetime appropriation.

The second year is to provide technical assistance and leadership in the development of a comprehensive and well-documented state aquaculture plan. The commissioner must provide the state aquaculture plan to the legislative committees with jurisdiction over agriculture finance and policy by February 15, 2028. This is a onetime appropriation, and is available until June 30, 2024.

(a) $100,000 the second year is to provide technical assistance and leadership in the development of a comprehensive and well-documented state aquaculture plan. The commissioner must provide the state aquaculture plan to the legislative committees with jurisdiction over agriculture finance and policy by February 15, 2023. This is a onetime appropriation. It is available until December 31, 2026.

(b) $100,000 the second year is to provide technical assistance and leadership in the development of a comprehensive and well-documented state aquaculture plan. The commissioner must provide the state aquaculture plan to the legislative committees with jurisdiction over agriculture finance and policy by February 15, 2024. This is a onetime appropriation.

$3,000,000 the second year is to award and administer down payment assistance grants under Minnesota Statutes, section 17.133. The base for this appropriation is $1,000,000 in fiscal year 2024 and thereafter.

$1,000,000 the second year is for transfer to the Board of Regents of the University of Minnesota to evaluate, propagate, and maintain the genetic diversity of oilseeds, grains, grasses, legumes, and other plants including flax, timothy, barley, rye, triticale, alfalfa, orchard grass, clover, and other species and varieties that were in commercial distribution and use in Minnesota before 1970, excluding wild rice. This appropriation includes funding for associated extension and outreach to small and BIPOC farmers. This is a onetime appropriation.

$100,000 the second year is for grants and other forms of financial assistance to meat and poultry processors with no more than 50

$30,000 the second year is for grants or other forms of financial assistance to meat and poultry processors for reimbursing the cost of
full-time equivalent employees to reimburse costs incurred to attend courses or trainings or receive technical assistance during fiscal year 2023 that support the processors' development of sanitation standard operating procedures, hazard analysis critical control point plans, or business plans. This is a onetime appropriation.

(dd) $500,000 the second year is for grants to secondary career and technical education programs for the purpose of offering instruction in meat cutting and butchery. This is a onetime appropriation and is available until June 30, 2025. Grant-eligible costs include but are not limited to:

(1) equipment required for a meat cutting program;
(2) facility renovation to accommodate meat cutting; and
(3) training faculty to teach the fundamentals of meat processing.

A meat processor with 50 full-time equivalent employees or less is eligible for grant money under this paragraph. This is a onetime appropriation.

$1,000,000 the second year is to provide grants to secondary career and technical education programs for the purpose of offering instruction in meat cutting and butchery. By January 15, 2023, the commissioner must report to the chairs and ranking minority members of the committees with jurisdiction over agriculture finance and education finance by listing the grants made under this paragraph by county and noting the number and amount of grant requests not fulfilled. The report may include additional information as determined by the commissioner, including but not limited to information regarding the outcomes produced by these grants. If additional grants are awarded under this paragraph that were not covered in the report due by January 15, 2023, the commissioner must submit an additional report to the chairs and ranking minority members of the committees with jurisdiction over agriculture finance and education finance regarding all grants issued under this paragraph by November 1, 2023. This is a onetime appropriation. Grants may be used for costs, including but not limited to:

(1) equipment required for a meat cutting program;
(2) facility renovation to accommodate meat cutting; and
(3) training faculty to teach the fundamentals of meat processing.
The commissioner may receive applications from eligible programs and make grants of up to $100,000, up to ten percent of which may be used for training faculty.

Priority may be given to applicants who are coordinating with meat cutting and butchery programs at Minnesota State Colleges and Universities system and local industry partners.

The commissioner may issue grants of up to $100,000 under this paragraph, of which up to ten percent may be used for faculty training.

The commissioner may prioritize applicants that coordinate with meat cutting and butchery programs in operations in a building or buildings constructed on or before January 1, 1947, and located east of Concord Street, north of Grand Avenue, and south of Hardman Avenue in South St. Paul. Costs eligible for financial assistance include any one or combination of the following costs incurred by the city of South St. Paul or a qualified business: site acquisition costs or costs associated with the exchange or transfer of real estate; relocation costs; predesign; design; sewer, water, and stormwater infrastructure; site preparation; engineering; and construction costs. This is a one-time appropriation and is available until June 30, 2024.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Laws 2021, First Special Session chapter 3, article 1, section 4, is amended to read: Sec. 4. AGRICULTURAL UTILIZATION RESEARCH INSTITUTE

(a) $150,000 the first year and $150,000 the second year are for a meat scientist.

(b) $500,000 the first year is for grants to organizations to acquire, host, and operate a mobile slaughter unit. The mobile unit must

Sec. 4. AGRICULTURAL UTILIZATION RESEARCH INSTITUTE

(a) $150,000 the first year and $150,000 the second year are for a meat scientist.

(b) $500,000 the first year is for grants to organizations to acquire, host, and operate a mobile slaughter unit. The mobile unit must
coordinate with Minnesota state two-year colleges that have meat cutting programs to accommodate training as it relates to animal slaughter. The mobile unit may coordinate with livestock producers who desire to provide value-added meat products by utilizing the mobile slaughter unit. The mobile unit may be used for research, training outside of the two-year colleges, and other activities that align with industry needs. The Agricultural Utilization Research Institute may only award a grant under this paragraph if the grant amount is matched by a like amount from another funding source. The Agricultural Utilization Research Institute must seek matching dollars from Minnesota State Colleges and Universities or other entities for purposes of this paragraph. The appropriation under this paragraph is onetime and is available until June 30, 2024. Any money remaining on June 30, 2024, must be transferred to the commissioner of agriculture for the Agricultural Utilization Research Institute's Crookston and Waseca facilities. This is a onetime appropriation.

(c) $2,000,000 the second year is to acquire property, construct, and equip offices and research laboratories and related infrastructure at the Agricultural Utilization Research Institute's Crookston and Waseca facilities. This is a onetime appropriation.

(d) $1,000,000 the second year is for equipment upgrades, equipment replacement, installation expenses, and laboratory infrastructure at the Agricultural Utilization Research Institute.
Research Institute's laboratories in Crookston, Marshall, and Waseca. This is a one-time appropriation and is available until June 30, 2026.

(e) $200,000 each year is to maintain the current level of service delivery.

EFFECTIVE DATE. This section is effective the day following final enactment.