



# Legislative Summary

2022

Last year at county conventions, Minnesota Farmers Union (MFU) members passed resolutions addressing issues they experience on their farms and in their communities. From there, elected delegates from each county approved five Special Orders of Business at our annual state convention. These called on lawmakers to:

- **Pass drought relief** and invest in long-term climate resilience
- **Expand local and regional processing**, making supply chains more resilient
- **Restore market competition**, strengthening antitrust law
- **Support generational farm transition**, helping new farmers
- **Make health care more affordable**, lowering costs for farm families

With this direction, MFU worked hard to ensure that rural and urban lawmakers from both sides of the aisle understood our priorities and the needs of family farmers. **We maintained a strong presence at the state capitol**, testifying sometimes multiple times a day and submitting detailed written comments to committees and agencies.

At midnight on Sunday, May 22, the legislature hit their constitutional adjournment deadline without reaching deals on tax relief, bonding, transportation, education, health care and public safety. This leaves about \$7.2 billion of the state's record \$9.25 billion budget surplus unspent. That said, **a bright spot of bipartisan work and agreement was a budget for long-awaited drought relief, agriculture and broadband, which passed with a nearly unanimous vote in the Senate with just hours to spare.**

## Drought relief and disaster response

(\$18.4 million) was approved in the final hours of session. The final package for agriculture is largely the same that MFU first asked for last August and that Gov. Walz proposed last October. The package includes:

- **\$8.1 million for Rapid Response Grants** for livestock and specialty crop producers, each up to \$7,500 based on reimbursable expenses incurred during the drought
- **\$2.5 million for the Rural Finance Authority (RFA)** disaster loan account

This is in addition to **\$1 million for the Veterinary Diagnostic Lab** and **\$1.5 million for High Path Avian Influenza response.**

*"Last summer's historic drought was crushing for many livestock and specialty crop producers... The package is not the end-all-be-all, but it is meaningful to many farm families who could use a shot in the arm."*

—MFU President Gary Wertish



**The supplemental agriculture spending package** (\$15 million) crafted with the leadership of Sen. Torrey Westrom, R-Elbow Lake, and Rep. Mike Sundin, DFL-Esko, and signed into law by Gov. Walz on May 26 included key initiatives we advocated for throughout the session, including:

- **\$1.5 million for meat processing**, including more than \$1 million for processor expansion and \$350,000 for K12 meat processing grants
- **\$2 million for ag emergency response**
- **\$500,000 for new voluntary soil health grants**
- **Reauthorization of cooperative development grants**
- **\$3.08 million for new and emerging farmers, including:**
  - \$2 million for a new down payment assistance program
  - \$837,000 for technical assistance, premium assistance and purchasing crops from emerging farmers
  - \$253,000 to better administer the Beginning Farmer Tax Credit
  - \$1.26 million for research and supply chain development of perennial crops

**MFU members helped secure language to convene the Minnesota Department of Agriculture's Grain Advisory Committee** to discuss ways to better protect farmers in the case of elevator failures, like that of Pipeline Foods.

**The bill also provides support for the Agricultural Utilization Research Institute (AURI)**, the Crookston Ag Innovation Campus, and funds a report on local and regional foods.

**For broadband** (\$210 million) we helped secure an additional \$50 million for the state's Border-to-Border grant program, which will help ensure that every homestead and business is connected to quality high-speed internet.

Along with these successes, **lawmakers left significant work undone**. Without a special session, deals on taxes, transportation, health care and other areas will not move this year.

**On taxes**, a tentative deal was reached that would have delivered the largest tax cut in state history. The deal would have:

- **Expanded the Beginning Farmer Tax Credit** to family members
- **Increased the Ag to School Tax Credit** to 85 percent
- **Increased the ag homestead limit** to reflect increasing land values
- **Supported Soil and Water Conservation Districts (SWCDs)** through a new local government aid program

**For transportation**, without a special session to strike a final deal, lawmakers are jeopardizing billions in federal dollars from the Infrastructure Investment & Jobs Act that require a state match.

**On health care**, a deal was never reached on the Health & Human Services budget.

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