Legislative Summary

Last fall, Minnesota Farmers Union (MFU) members met on the county level to pass resolutions on issues affecting their farms and communities. From there, elected delegates to MFU’s annual convention voted to update MFU’s grassroots policy and define top priorities for the 2023 state legislative session as:

- Making healthcare affordable and accessible.
- Limiting corporate control and ensuring competitive markets.
- Expanding local and regional processing.
- Creating climate resilience.

From there, MFU worked hard to ensure that lawmakers understood the needs and perspectives of family farmers and rural communities. Staff and members maintained a strong presence at the state capitol, testifying over 80 times on priority legislation, writing detailed comments for legislative committees and agencies, and building relationships with rural, urban, and suburban legislators on both sides of the aisle.

On Monday, May 22, the state legislature adjourned with a deal to fund state government for the next two years and spend a record $17.5 billion surplus.

On healthcare, MFU is proud to have capped off years of hard work with successful passage of a bill to expand MinnesotaCare with a public option that will allow farmers and others to ‘buy-in’ to comprehensive health coverage that is currently only available to lower-income Minnesotans. This will be a unique, nation-leading program and will be developed and rolled out starting in 2027. MFU was also a key rural voice in successfully advocating to:

- Establish oversight of large hospital mergers, providing the Attorney General with new authority to block mergers that would create monopolies, increase prices, or reduce access to care.
- Rein in prescription drug costs by establishing a Prescription Drug Affordability Board (PDAB) that will set upper payment limits on high-cost drugs.

"Lack of affordable choices for healthcare push farmers off the farm. The work isn’t over, but this will be a legacy of this legislative session and will help more people build a life in rural Minnesota.”

-MFU President Gary Wertish

On competitive markets—and beyond legislative wins on healthcare mergers—MFU worked with a broad coalition to secure funding for the Attorney General to hire additional antitrust attorneys, establish a new multistate litigation fund, and increase antitrust oversight.
The agriculture budget includes $48 million in new funding. MFU successfully advocated for:

- **$10 million to establish a grain indemnity fund**, which will finally provide protection to farmers in the event of an elevator failure.
- **$2.7 million to expand local and regional meat processing**, including to startup, expand, or upgrade facilities, fund scholarships for students at technical training programs, and to hire a new meat processing liaison at MDA.
- **$2.8 million for beginning and emerging farmers**, including to expand MDA’s Emerging Farmers Office, fund down payment assistance, expand The Good Acre’s LEAFF program, and fund Farm Business Management scholarships.
- **$1.25 million to expand the Soil Health Financial Assistance program.**
- **$750,000 to expand biofuels infrastructure.**
- **$400,000 for cooperative development grants.**
- **$2.1 million to develop and commercialize perennial crops** like those developed by the University of Minnesota’s Forever Green program.
- **$4 million to reestablish the DAIRI program**, which will provide grants to small and mid-sized dairies for enrolling in federal risk protection.
- **$2.3 million to expand Farm to School.**
- **$200,000 in support for farmers markets.**

The ag bill also invests **$100 million for rural broadband**, bars confidentiality clauses in carbon markets, and maintains farmer and veterinarian leadership on the Board of Animal Health.

The transportation bill included new, ongoing funding to repair roads and bridges and a proposal MFU brought forward to expand farm drivers’ licenses beyond farm kids.

The final tax bill is the largest in history, including $3 billion in tax breaks. As part of that package, MFU advocated to:

- **Extend and expand the Beginning Farmer Tax Credit** which was set to sunset in 2023. The changes will allow family members to participate for the sale of ag land, increase the credit for sale of ag assets from 5 to 8 percent and up to $50,000, and increase the credit for emerging farmers.
- **Increase the first-tier ag homestead limit** from $2.15 million to $3.5 million to provide property tax relief and better keep pace with skyrocketing land values.
- **Funding Soil and Water Conservation Districts (SWCDs)** at $15 million per year.

On climate resilience, MFU worked to build the case for voluntary, farmer-led investments to reduce carbon emissions and build resilience in agriculture. Investments included:

- **$7 million to pilot a green fertilizer production incentive.**
- **$21 million for soil health financial and technical assistance** at the Board of Water and Soil Resources (BWSR), which could leverage additional federal funds.
- **$2 million for resilience planning at University of Minnesota Extension.**

Inevitably, some issues will require continued work in future legislative sessions including Right to Repair, repealing the sales tax on fencing equipment, increasing antitrust fines, and strengthening limits on mergers across the economy.

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