

CC: Agriculture Chairs, Vice Chairs and Committee members; MDA Leadership

March 28, 2023

To the Governor's Office and Minnesota House and Senate Leadership,

As leaders in farm and food systems statewide, our organizations are writing to express our profound disappointment in the announced target amount for Minnesota's agriculture budget. The announced target of \$48 million in additional funds for agriculture is less than the DFL House proposal of \$60 million last year, even though we have a much larger projected surplus now. In 2022, with a surplus of \$7.7 billion, the Governor proposed a \$65 million agriculture budget increase. With a surplus of \$17.6 billion, the Agriculture Committees deserve at least a \$110 million budget target discretionary increase.

Right now, the state spends less than 0.5% of its budget on MDA, while agriculture is responsible for \$112 billion annually in total economic impact in Minnesota. The planned target of a \$48 million increase is less than one third of one percent of the total budget and disregards the vital role this funding plays in supporting our farmers, rural economies, food security and communities.

This economy is driven by farmers, farmworkers, food makers, processors and entrepreneurs, who are vital to stewarding our soil, nourishing our communities, and are the bedrock of many of our rural communities. In order to better reflect the contributions of Minnesota's agriculture stakeholders and best meet the needs of Minnesotans, we urge you to provide sufficient funding for these committees to tangibly deliver for people and the land. Investing in our farmers, food system, and providing healthy, local products to Minnesotans is one of the smartest investments our state can make. Together, we can:

- Increase financial and capacity investments in infrastructure, small and mid-size processing and market development state-wide, supporting resilient local and regional food systems that strengthen rural economies.
 - Down Payment Assistance Program (\$7.5M/yr)
 - Meat & Poultry Processing Liaison (\$75k/yr)
 - Small Meat Processor Training Grants (\$100k for FY 2024)
 - AGRI Meat, Poultry, Egg, & Dairy Grants
 - Farmers' Markets Grants (\$4M one time funding)
 - Local foodshed infrastructure like commercial kitchens (\$250K, included in the Governor's budget)
 - Beginning Farmer Tax Credit expansion
 - Cottage foods support (SF1563/HF2377)
- Enable land access and farm viability for emerging farmers, expanding capital, training, technical assistance, and support for small- and mid-sized emerging, beginning, and aspiring farmers.
 - Expanding the Emerging Farmers Office to include four full time staff to support grant management, oversight, coordination, communication and technical assistance, Tribal consultation, administrative and technical support, with \$700,000 in FY24-25 and \$625,000 per year ongoing support.

- Eliminating the sunset of the Emerging Farmer Working Group to ensure this important group can continue providing a vital connection between emerging farmers and MDA into the future.
 - Emerging Farmer equipment & infrastructure grants, \$500,00 requested over the biennium.
 - Direct Marketing Producers Grants (\$500K one time funding)
 - Next Generation Development Program (\$500k for 24/25)
- Leverage Minnesota agriculture to create positive climate and ecosystem impact, providing the resources farmers need to build the health of their soil, which will clean our water, build resiliency from extreme weather, and combat climate change.
 - Climate Coordinator Position (\$150k/yr)
 - Soil Health Financial Assistance Program (HF1316/SF1245)
 - Soil Health Equipment Grants (\$3M/yr)
 - Forever Green Initiative (HF1492 and SF1314) \$14 million to fund Forever Green Initiative and build out infrastructure for marketing perennial grains.
 - Continuous Living Cover value chain development grants (HF1645/SF 1353) \$11 million in 2024, \$1 million in 2025 to support research and development of kernza perennial grain, winter camelina, hybrid hazelnut and elderberry.
 - Link nutrition and food access needs to Minnesota agricultural producers, ensuring all Minnesotans have nutritious food.
 - Farm-to-School & Regional Food Systems Coordinators \$5,675,000 in fiscal year 2024 and \$5,675,000 in fiscal year 2025: \$5,000,000 each year for the AGRI Farm to School & Early Care grants; \$150,000 each year for a full time MDA Farm to School Coordinator position; \$50,000 for external evaluation and report on the MDA Farm to School & Early Care grant program; and \$500,000 each year to support community-based regional food systems coordinators, as reflected in HF2043/SF2158.
 - Full funding for the Good Food Access Program at \$2.5 million, as reflected in HF1981/SF 2975
 - Funding The Good Acre's LEAFF program, including expanding the program with pilots in Greater MN at \$500K in 2024 and \$400K in 2025, as outlined in HF1744/SF1727.
 - Urban Agriculture \$1,500,000 in 2024 and 2025, as reflected in HF1637/SF1762.
 - Second Harvest Heartland's support for milk, protein, and recovered produce from MN producers, \$6.1M in 2024 and 2025 as outlined in HF1554/SF2779

We recognize that these priorities are interconnected, and decision makers should be given a budget target with room to support Minnesota's farm and food system holistically. We have eagerly been watching the many exciting proposals included in the Governor's proposed budget and passed as bills throughout the legislative session so far, and listening to the hours of testimony from affected community members explaining the impact these programs would have for them. With a historic \$17.6 billion surplus, our state legislature has a unique opportunity and responsibility to deliver for small- and mid-sized farmers, our farm and food system, rural communities and families in need across the state. The announced agriculture budget target does not create space for appropriate investment in Minnesota's farm and food system, and will necessitate leaving crucial programs out of the budget in a time of abundance when we should be increasing support and investment.

An appropriate budget target increase of \$110 million would still be less than 1% of the overall MN budget, yet would have a profound impact on issues which impact all Minnesotans. This level of support would demonstrate that the House and Senate Majorities are tangibly showing up for and delivering for farmers and rural Minnesotans and will take advantage of proposed strategic opportunities for one time investment included in the Agriculture budget. As a major agricultural state, Minnesota is uniquely poised to lead the nation in investment in our farmers and supporting consistent access to food for all residents. Thank you for your leadership and we hope to work with you to support and invest in our farmers and food system.

Sincerely,

Appetite For Change

Climate Land Leaders

Duluth Young Farmers Coalition

Institute for Agriculture and Trade Policy

Conservation Minnesota

Hmong American Farmers Association

Land Stewardship Project

Midwest Farmers of Color Collective

MN350

Neighborhood Roots

Project Sweetie Pie

Second Harvest Heartland

Sustainable Farming Association of MN

The Good Acre

Transforming the Table

Uptown Farmers Market Collaborative

University of Minnesota Center for Spirituality and Healing

Vote Climate