

**SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION**

**S.F. No. 1503**

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DATE  
02/25/2021

D-PG

Introduction and first reading  
Referred to Agriculture and Rural Development Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to agriculture; modifying previous appropriation to Second Harvest  
1.3 Heartland; appropriating money; amending Laws 2019, First Special Session  
1.4 chapter 1, article 1, section 2, subdivision 5, as amended.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Laws 2019, First Special Session chapter 1, article 1, section 2, subdivision 5,  
1.7 as amended by Laws 2020, chapter 74, article 1, section 3, is amended to read:

1.8	<b>Subd. 5. Administration and Financial</b>		<del>7,508,000</del>
1.9	<b>Assistance</b>	8,760,000	<u>8,758,000</u>

1.10 (a) \$474,000 the first year and \$474,000 the  
1.11 second year are for payments to county and  
1.12 district agricultural societies and associations  
1.13 under Minnesota Statutes, section 38.02,  
1.14 subdivision 1. Aid payments to county and  
1.15 district agricultural societies and associations  
1.16 shall be disbursed no later than July 15 of each  
1.17 year. These payments are the amount of aid  
1.18 from the state for an annual fair held in the  
1.19 previous calendar year.

1.20 (b) \$2,000 the first year is for a grant to the  
1.21 Minnesota State Poultry Association. This is  
1.22 a onetime appropriation, and is available until  
1.23 June 30, 2021.

2.1 (c) \$18,000 the first year and \$18,000 the  
2.2 second year are for grants to the Minnesota  
2.3 Livestock Breeders Association. These are  
2.4 onetime appropriations.

2.5 (d) \$47,000 the first year and \$47,000 the  
2.6 second year are for the Northern Crops  
2.7 Institute. These appropriations may be spent  
2.8 to purchase equipment. These are onetime  
2.9 appropriations.

2.10 (e) \$267,000 the first year and \$267,000 the  
2.11 second year are for farm advocate services.

2.12 (f) \$17,000 the first year and \$17,000 the  
2.13 second year are for grants to the Minnesota  
2.14 Horticultural Society. These are onetime  
2.15 appropriations.

2.16 (g) \$250,000 the first year and \$250,000 the  
2.17 second year are for transfer to the Board of  
2.18 Trustees of the Minnesota State Colleges and  
2.19 Universities for statewide mental health  
2.20 counseling support to farm families and  
2.21 business operators through the Minnesota State  
2.22 Agricultural Centers of Excellence. South  
2.23 Central College and Central Lakes College  
2.24 shall serve as the fiscal agents. The base  
2.25 amount for this appropriation in fiscal year  
2.26 2022 and later is \$238,000.

2.27 (h) \$2,950,000 the first year and ~~\$1,700,000~~  
2.28 \$2,950,000 the second year are for grants to  
2.29 Second Harvest Heartland on behalf of  
2.30 Minnesota's six Feeding America food banks  
2.31 for the following:

2.32 (1) to purchase milk for distribution to  
2.33 Minnesota's food shelves and other charitable  
2.34 organizations that are eligible to receive food

3.1 from the food banks. Milk purchased under  
3.2 the grants must be acquired from Minnesota  
3.3 milk processors and based on low-cost bids.  
3.4 The milk must be allocated to each Feeding  
3.5 America food bank serving Minnesota  
3.6 according to the formula used in the  
3.7 distribution of United States Department of  
3.8 Agriculture commodities under The  
3.9 Emergency Food Assistance Program. Second  
3.10 Harvest Heartland may enter into contracts or  
3.11 agreements with food banks for shared funding  
3.12 or reimbursement of the direct purchase of  
3.13 milk. Each food bank that receives funding  
3.14 under this clause may use up to two percent  
3.15 for administrative expenses;

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

3.31 (3) to purchase and distribute protein products,  
3.32 ~~which must be surplus products when~~  
3.33 ~~practicable~~, including but not limited to pork,  
3.34 poultry, beef, dry legumes, cheese, and eggs  
3.35 to Minnesota's food shelves and other

4.1 charitable organizations that are eligible to  
4.2 receive food from the food banks. Second  
4.3 Harvest Heartland may use up to two percent  
4.4 of each grant awarded under this clause for  
4.5 administrative expenses. ~~To the extent~~  
4.6 ~~practicable~~, Protein products purchased under  
4.7 the grants must be acquired from Minnesota  
4.8 processors and producers ~~and based on~~  
4.9 ~~low-cost bids~~.

4.10 Of the amount appropriated under this  
4.11 paragraph, at least \$600,000 each year must  
4.12 be allocated under clause (1); ~~and \$1,250,000~~  
4.13 ~~of the onetime money appropriated in the first~~  
4.14 ~~year must be allocated under clause (1) or (3).~~

4.15 Notwithstanding Minnesota Statutes, section  
4.16 16A.28, any unencumbered balance the first  
4.17 year does not cancel and is available in the  
4.18 second year. Second Harvest Heartland must  
4.19 submit quarterly reports to the commissioner  
4.20 and the chairs and ranking minority members  
4.21 of the legislative committees with jurisdiction  
4.22 over agriculture finance in the form prescribed  
4.23 by the commissioner. The reports must include  
4.24 but are not limited to information on the  
4.25 expenditure of funds, the amount of milk or  
4.26 other commodities purchased, and the  
4.27 organizations to which this food was  
4.28 distributed. The base for this appropriation is  
4.29 ~~\$1,650,000~~ \$2,950,000 in fiscal year ~~2022~~  
4.30 2024 and ~~\$1,650,000~~ \$2,950,000 in fiscal year  
4.31 ~~2023~~ 2025.

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

5.1 (j) \$250,000 the first year and \$250,000 the  
5.2 second year are for grants to the Minnesota  
5.3 Agricultural Education and Leadership  
5.4 Council for programs of the council under  
5.5 Minnesota Statutes, chapter 41D.

5.6 (k) The commissioner shall continue to  
5.7 increase connections with ethnic minority and  
5.8 immigrant farmers to farming opportunities  
5.9 and farming programs throughout the state.

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