

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

S.F. No. 3580

(SENATE AUTHORS: GOGGIN, Weber, Anderson, B., Dahms and Eken)

DATE
02/24/2020

D-PG

Introduction and first reading
Referred to Agriculture, Rural Development, and Housing Finance

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to agriculture; appropriating money for grants to farmers for certain loan
1.3 origination fees.

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

1.5 Section 1. **FARM CRISIS LOAN ORIGINATION FEE GRANT PROGRAM.**

1.6 (a) \$880,000 in fiscal year 2020 is appropriated from the general fund to the commissioner
1.7 of agriculture for grants to eligible farmers who have been approved for farm debt
1.8 restructuring loans guaranteed by the United States Department of Agriculture (USDA),
1.9 Farm Service Agency or issued under a loan program administered by the Rural Finance
1.10 Authority. The commissioner must award an eligible farmer a grant in an amount equal to
1.11 the loan origination fee amount required for the farmer to obtain the USDA, Farm Service
1.12 Agency guaranteed loan or Rural Finance Authority program loan.

1.13 (b) For purposes of this section, "eligible farmer" means an individual who regularly
1.14 participates in physical labor or operations management in the individual's farming operation
1.15 and files "Schedule F" as part of the person's annual Form 1040 filing with the United States
1.16 Internal Revenue Service or a family farm organized under Minnesota Statutes, section
1.17 500.24, if the individual or family farm:

1.18 (1) has a total net worth of less than \$800,000 in calendar year 2020; and

1.19 (2) is either in mediation proceedings under Minnesota Statutes, chapter 583, or has
1.20 received a mediation notice under Minnesota Statutes, section 583.26, subdivision 1,
1.21 paragraph (a).

2.1 (c) The commissioner must give first priority to grant applicants who are currently in
2.2 mediation under Minnesota Statutes, chapter 583, and must give second priority to grant
2.3 applicants who have received a mediation notice under Minnesota Statutes, section 583.26,
2.4 subdivision 1, paragraph (a).

2.5 (d) The amount appropriated under this section is onetime and is available until June
2.6 30, 2023.

2.7 (e) The commissioner may use up to ten percent of the amount appropriated under this
2.8 section to administer the grant program.

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