

HF3692 - 0 - Farmer-Lender Mediation Act Extended

Chief Author: **Andy Smith**
 Committee: **Agriculture Finance And Policy**
 Date Completed: **3/4/2026 11:18:37 AM**
 Agency: **University Of Minnesota**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	214	214	
Total	-	-	-	214	214	
Biennial Total						428

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	5.75	5.75
Total	-	-	-	5.75	5.75

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Adam Bolling **Date:** 3/4/2026 11:18:37 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	-	214	214
Total	-	-	-	-	214	214
	Biennial Total			-		428
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	-	-	214	214
Total	-	-	-	-	214	214
	Biennial Total			-		428
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total			-		-

Bill Description

SF3583-0 extends the Farmer Lender Mediation Act until June 30, 2032.

Assumptions

All eligible holders of agricultural department must be offered the opportunity to mediate certain actions (e.g., repossession, etc.) by creditors.

The fiscal note assumes a federal grant from USDA will continue to fund 70% of total program costs; however, federal funding is not guaranteed. Indirect costs are generated by Facilities and Administrative rates.

The fiscal note assumes the University of Minnesota’s Agricultural and Extension Service appropriation (state special) will continue to fund 30% of the total program costs

The fiscal note assumes the number of farmer cases in mediation will not change; however, the agricultural economy is not improving, and we are planning for increased notifications later this spring.

Expenditure and/or Revenue Formula

	FY28	FY29	FY30	FY31	FY32
Salary	492,000	492,000	492,000	492,000	492,000
Fringe	107,000	107,000	107,000	107,000	107,000
Travel	46,500	46,500	46,500	46,500	46,500
Equipment	8,000	8,000	8,000	8,000	8,000
Supplies	25,500	25,500	25,500	25,500	25,500
Other Costs	23,000	23,000	23,000	23,000	23,000
Office Space	12,000	12,000	12,000	12,000	12,000
Total	714,000	714,000	714,000	714,000	714,000
State Portion - 30%	214,200	214,200	214,200	214,200	214,200
Federal Portion - 70%	499,800	499,800	499,800	499,800	499,800

Staff costs include: Associate Dean .05 FTE, Director 1 FTE, 8 x mediator at .4 FTE each, Financial Analyst .5 FTE, and Office Assistant 1 FTE.

Other costs include speaker fees, phone and internet, room and equipment rental for staff training, and website.

Long-Term Fiscal Considerations

The costs are ongoing until June 30, 2032.

Local Fiscal Impact

References/Sources

Beverly R. Durgan, Dean, University of Minnesota Extension

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