

**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   |            |
|-----------------------|----------|--------|--------|------------|------------|
|                       | FY2025   | FY2026 | FY2027 | FY2028     | FY2029     |
| Dollars in Thousands  |          |        |        |            |            |
| <b>General Fund</b>   | -        | -      | -      | 214        | 214        |
| <b>Total</b>          | -        | -      | -      | <b>214</b> | <b>214</b> |
| <b>Biennial Total</b> |          |        | -      |            | <b>428</b> |

| Full Time Equivalent Positions (FTE) | Biennium |        |        | Biennium    |             |
|--------------------------------------|----------|--------|--------|-------------|-------------|
|                                      | FY2025   | FY2026 | FY2027 | FY2028      | FY2029      |
| General Fund                         | -        | -      | -      | 5.75        | 5.75        |
| <b>Total</b>                         | -        | -      | -      | <b>5.75</b> | <b>5.75</b> |

**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  
**Phone:** 651-2966053    **Email:** abolling@lbo.mn.gov

**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**

|                            | <b>FY28</b>    | <b>FY29</b>    | <b>FY30</b>    | <b>FY31</b>    | <b>FY32</b>    |
|----------------------------|----------------|----------------|----------------|----------------|----------------|
| 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        |
| <b>State Portion - 30%</b> | <b>214,200</b> | <b>214,200</b> | <b>214,200</b> | <b>214,200</b> | <b>214,200</b> |
| 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

**Agency Contact:** Keeya Steel

**Agency Fiscal Note Coordinator Signature:** Keeya Steel

**Phone:** 612-625-5512

**Date:** 3/4/2026 7:58:31 AM

**Email:** keeya@umn.edu