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April 7, 2021

Chair Mike Sundin House Agriculture Finance and Policy Committee 100 Rev. Dr. Martin Luther King Jr. Blvd. St. Paul, MN 55155

Dear Chair Sundin and members of the committee:

On behalf of Minnesota Famers Union (MFU), I write to share strong support for the agriculture omnibus bill as amended (HF 1524, DE 1), to highlight some provisions that are particularly important to our family farmer members, and to share some additional priorities we would like to see reflected in a final package.

MFU is a grassroots organization that has represented Minnesota's family farmers, ranchers and rural communities since 1918. For many family farmers, COVID-19 came on the heels of 5 years of record low farm income. And—while this year proved profitable for many farm operations—the future is still uncertain. This makes it all the more important that we have a strong budget for food and agriculture this session.

Not only that, but the pandemic's disruption of our largely consolidated food system made it all the more apparent that farmers, consumers, workers, and rural communities will all benefit from a food system that is more distributed, resilient, and fair. The new investments outlined in this package are a meaningful first step. We are eager to share our support and thanks to Chair Sundin, Ranking Member Anderson, members of the committee, and staff who worked hard to put this package together.

In particular, I want to highlight our support for:

• Expanding access to meat and poultry processing through a one-time investment in livestock processing, by hiring an additional inspection staff for the state's meat and poultry inspection program, and by adding a meat scientist to the staff at Agricultural Utilization Research Institute (AURI). A one-time investment of into the AGRI fund—to augment current investments—will help new and existing meat and poultry processors expand their capacity to provide needed relief to farmers who are wondering how they will bring their animals to market. Similarly, hiring another inspector for Minnesota's meat and poultry inspection program will expand access to inspection and add valuable technical capacity at MDA, helping get new plants off the ground. Finally, a meat scientist at the AURI will work closely with small meat processors and others to help develop that industry in a sustainable way moving forward.

In addition to these investments, we hope to earn your support for development of a meat processing technical training program at the Minnesota State College System (HF 2439; Rep. Poston). A program that incorporates slaughter through a mobile processing unit will not only help address workforce needs experienced by processors. It will also serve local

producers, help train new processors in the in-demand practice for on-farm slaughter, and prepare new entrepreneurs to take over existing plants.

• **Reauthorizing Farmer-Lender Mediation** and extending the timeline for mediations, providing important relief for farmers who are facing financial crisis and are—at times—at risk of losing their home and farm. Like so many other sectors of the economy, the effects of the pandemic were not uniformly felt and many farm families are still struggling.

In considering these changes, it is important that the committee remember that:

- Mediation is voluntary for the farmer—they choose it and can choose to end proceedings at any time;
- Mediations are emotional and increasingly complex, often involving multiple lines of credit with multiple lenders; and
- o Farming is unique in that it is not just a family's livelihood, but also their home.

During the last ag census, from 2012 to 2017, Minnesota lost over 5,000 farms. And during the previous five-year period the state lost 6,000. This loss takes an economic and social toll on our rural communities and the entire state. While not the only tool, Farmer Lender Mediation is an important way the state helps level the playing field for those facing financial crisis, helping many families continue farming.

We strongly support reauthorizing this program and strengthening it for farmers.

- **Building out biofuels infrastructure** through a grant program will expand the use of higher-octane, cleaner-burning biofuels, strengthen an important market for many family farmer, and reduce our reliance on fossil fuels.
- Supporting the voluntary adoption climate-smart practices that promote soil health and provide other ecosystem services through the Climate Smart Farms project and the proposed increase to the in the Ag Best Management Practices (AgBMP) Loan Program. Both build on successful programs and will help farmers and others in rural Minnesota invest in practices that not only improve water quality, but also help sequester carbon.
- **Funding the Emerging Farmers Working Group** and an additional outreach position, which will both improve MDA's outreach to and service of BIPOC and immigrant farmers.
- **Reauthorizing Cooperative Development Grants** to help farmers add value to their products and build new, more resilient models in the wake of COVID-19.
- **Assisting in land access and transition** to help the next generation of farmers get on the land and build a life in agriculture.
- **Strengthening Minnesota's industrial hemp program** to ensure that it can serve the state's fast-growing industry.
- **Investing in farm and rural mental health**, which will strengthen MDA's important and impactful work to alleviate stress in among farmers, their families, and agricultural workers.

- **Expanding the farm advocate program** by increasing funding by \$20,000 per year, allowing MDA to contract an additional farm advocate, providing needed capacity to the program.
- **Funding the Noxious Weed Program** to make sure MDA can continue working with local governments to combat noxious weeds that threaten farmers livelihoods.
- **Supporting small food businesses** who operate under the Cottage Food exemption by continuing to develop a compromise that allows small food business to start and grow under the exemption. In addition to these changes, we ask that you clarify participants ability to sell pet treats (HF 2014).

Thank you again for your work on this strong bill—we hope it earns your support. If you have any questions, please contact our Government Relations Director, Stu Lourey, at stu@mfu.org or (320) 232-2047 (C). Thank you for considering the needs and perspectives of Minnesota's farm families.

Sincerely,

Gary Wertish

President, Minnesota Farmers Union