

**Subject** Agriculture and Broadband Finance and Policy

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## Overview

This bill would appropriate funding in fiscal years 2026 and 2027 to the Minnesota Department of Agriculture (MDA), the Board of Animal Health (BAH), the Agricultural Utilization Research Institute (AURI), and the Broadband Development Office in the Department of Employment and Economic Development (DEED).

This bill also makes several policy changes including modifying the farm down payment assistance program, exempting handlers (those that mix, load, and transport a restricted use pesticide) from pesticide applicator licenses, and establishing the biofertilizer innovation and efficiency program.

## Article 1: Appropriations

This article appropriates money to MDA, BAH, and AURI in fiscal years 2026 and 2027.

### Section Description - Article 1: Appropriations

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**1 Agriculture appropriations.**

Inserts boilerplate language regarding the appropriations format and terminology used in this article.

**2 Department of Agriculture.**

Appropriates money from the general and remediation funds to the MDA for specified purposes.

**Subd. 1. Total appropriation.** Totals the entire amount of money, by fund, appropriated to MDA in this bill.

**Subd. 2. Protection services.** Appropriates general fund and remediation money for MDA's regulatory programs and inspection services. This subdivision provides funding for the following MDA divisions: Pesticide and Fertilizer Management,

**Section Description - Article 1: Appropriations**

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Laboratory Services, Plant Protection, Dairy and Meat Inspection, and Food and Feed Safety.

**Subd. 3. Agricultural marketing and development.** Appropriates general fund money to MDA's Agricultural Marketing and Development Division, including the agriculture research, education, extension, and technology transfer (AGREETT) program and the agricultural growth, research, and innovation (AGRI) program. Establishes the AGRI works and AGRI support programs to oversee a competitive grant process.

**Subd. 4. Administration and financial assistance.** Appropriates general fund money for agency administration. Establishes a local food purchasing assistance grant program.

**3 Board of Animal Health.**

Appropriates general fund money to the BAH.

**4 Agricultural Utilization Research Institute.**

Appropriates general fund money to the AURI.

**5 Transfers; administration.**

Transfers general fund money to MDA accounts in the agricultural fund and special revenue fund, including a \$4,000,000 transfer to the agricultural emergency account, \$2,000,000 of which is designated for monitoring avian influenza. Transfers general fund money to the University of Minnesota for heritage oilseeds and grains.

**6 Cancellation; fiscal year 2025.**

Cancels a \$3,000,000 fiscal year 2024 appropriation to the green fertilizer program. Cancels \$500,000 of a fiscal year 2025 appropriation to the Dairy Assistance, Investment, Relief Initiative (DAIRI). This section is effective the day following final enactment.

**7 Agriculture, bioenergy, and bioproduct advancement.**

Makes a technical change to the 2024 supplemental agriculture finance bill to clarify the previous legislature's intent to extend the AGRI program. This section is effective the day following final enactment.

## **Article 2: Agriculture Statutory Changes**

This article comprises the agriculture policy changes which include modifying the farm down payment assistance program (section 1), exempting handlers (those that mix, load, and

transport a restricted use pesticide) from pesticide applicator licenses (sections 2 - 4), and establishing the biofertilizer innovation and efficiency program (section 5).

**Section Description - Article 2: Agriculture Statutory Changes**

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- 1 Grants.**  
Increases the individual grant award amount in the farm down payment assistance grant program from \$15,000 to \$20,000.
- 2 Application or use of a pesticide.**  
Amends the definition of “application or use of a pesticide.” Reorganizes the list of uses to put “mixing” and “loading” under the “other activities” category and deletes the “preapplication activities” category.
- 3 Handler.**  
Adds a new definition for “handler” for purposes of section 4 that describes unlicensed individuals who mix, load, and transport a restricted pesticide under the supervision of a licensed applicator. Requires handlers to meet requirements for direct supervision of noncertified applicators by certified applicators under Code of Federal Regulations, title 40, section 171.201, which includes training, meeting a minimum age, and receiving instructions.
- 4 Pesticide use license requirement; Internet sales prohibited; restricted use pesticides.**  
Exempts handlers from the pesticide applicator license requirement. Modifies the state’s application of the Federal Insecticide Fungicide and Rodenticide Act, which would subsequently require MDA to rewrite and resubmit MDA’s certification plan with the EPA.
- 5 Biofertilizer innovation and efficiency program.**  
Establishes the biofertilizer innovation and efficiency program that would provide per-acre payments to farmers who reduce their application of commercial nitrogen fertilizers and apply an alternative qualifying product. Requires MDA to conduct rulemaking. Directs MDA to conduct a study to evaluate the effectiveness of the program.

## Article 3: Broadband

This article appropriates money to the Office of Broadband under DEED.

Section	Description - Article 3: Broadband
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| 1 | <b>Broadband development appropriations.</b><br>Inserts boilerplate language regarding the appropriations format and terminology used in this article. |
| 2 | <b>Department of Employment and Economic Development.</b><br>Appropriates general fund money to DEED for the Office of Broadband Development.          |



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