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March 27, 2022

Chair Cheryl Youakim
House Tax Committee, Property Tax Division
597 State Office Building
St. Paul, MN 55155

Dear Chair Youakim and members of the committee:

On behalf of Minnesota Farmers Union (MFU), I write to thank you for including two important provisions in your supplemental property tax proposal (HF4064). We strongly support funding Soil Water Conservation Districts (SWCDs) through a new local government aid program at the MN Department of Revenue (HF3719) and increasing the school building bond agricultural credit to 85 percent (HF2929).

Both are meaningful, long-term investments in the vitality of family farms and rural communities.

- **Funding SWCDs** (A22, line 35.1) through a new local government aid program will provide them with the stable, long-term funding they need to best assist our family farmer members in meeting their on-farm conservation goals. For our members' farms, conserving soil and water for future generations is central to long-term sustainability. SWCDs serve as the trusted, local, boots-on-the-ground partners in this important work, providing direct technical assistance, demonstrating new practices, and connecting with state and federal resources. That's why at our annual convention last November our members voted to adopt a resolution in support of increased, general fund support for SWCDs.

Last summer's drought was the worst in a generation and that came soon after our wettest fall on record in 2019. In response to these challenges, our members are actively working to adopt new practices that make them more resilient and promote soil health and water quality. Consistent and reliable funding for SWCDs is a foundational step toward helping our members achieve these important goals, benefiting both their individual operations and the entire state.

- **Expanding the Ag to School Tax Credit** (A22, line 25.9) to 85 percent will help more communities benefit from this successful program. This credit will provide significant property tax relief to farmers while also helping rural school districts make needed improvements to their facilities—a win-win for farmers and their communities.

After this credit was strengthened in 2019, we heard from members across the state who saw school construction bond levy's pass in their communities. These investments will help ensure that students in rural areas have access to high-quality educational facilities and help young families build lives in rural Minnesota.

We thank Chair Marquart and Rep. Reyer for their work on these important issues—and the committee for your consideration. If you have any questions, please contact our Government Relations Director, Stu Lourey, at stu@mfu.org or (320) 232-2047. Thank you for considering the needs and perspectives of Minnesota's farm families.

Sincerely,

A handwritten signature in black ink that reads "Gary Wertish". The signature is written in a cursive style with a large, looped initial "G".

Gary Wertish
President, Minnesota Farmers Union