



May 9, 2025

Dear Chairs Putnam, Anderson and Hansen,

I want to thank you and your committee members for your work in drafting your respective bills, SF2458 and HF2446, to establish budgets for the Department of Agriculture (MDA), the Board of Animal Health (BAH), and the Agricultural Utilization Research Institute (AURI). The MDA appreciates your commitment to Minnesota's agriculture sector and rural communities, and I look forward to working with you throughout conference committee discussions to craft a final bill that continues those investments.

I am pleased that several of the Governor's recommendations are included in both bills, including an operating adjustment to maintain agency services for the MDA, BAH and AURI. I appreciate that both bills supplement the Agricultural Emergency Account with funding increases to help the MDA prepare for and respond to agricultural emergencies and animal diseases, including highly pathogenic avian influenza (HPAI). Both bills also address several timely issues in the agriculture sector, including funding for the elk and wolf depredation compensation accounts, farm safety and mental health, the AGRI Protect Grant, and more. Furthermore, the MDA appreciates both bodies addressing programs that are facing federal uncertainty, such as meat inspection and the Local Food Purchasing Assistance Program.

Provisions in the Senate bill that are not included in the House bill are the MDA food licensing modernization and updates for grain buyers and grain storage licenses. The food licensing statute was last updated in 2003, and modernization is required to simplify the licensing structure to meet food industry needs and to maintain the current level of licensing, inspection and enforcement service in the food programs. Without program updates to backfill for reductions in federal funding, the retail food and manufactured food programs will face a budget shortfall that will require the reduction of at least eight inspection staff, or 26% of in-field inspectors, resulting in reduced inspections and increased wait times. The grain buyers and storage license updates are overdue and have not been updated in over 20 years, and the program has been operating at a deficit; we will either need to reduce staff or supplement with other funding if these updates are not made.

A thoughtful budget will enhance the MDA's ability to respond to critical issues facing Minnesota agriculture in a time of extreme uncertainty for our family farmers and agriculture-related businesses. These investments are needed to keep Minnesota agriculture and rural communities strong and competitive. I thank you and your committee members for the work and look forward to collaborating with the conference committee to cultivate a robust agriculture budget and policy bill that works to protect the integrity of our food supply, the health of our environment, and the strength and resiliency of our agricultural economy.

Sincerely,

A handwritten signature in cursive script that reads 'Thom Petersen'.

Thom Petersen

Commissioner, Minnesota Department of Agriculture