

Minnesota House of
Representatives

Agricultural Finance and Policy
Committee

HF 1473 and HF 1475

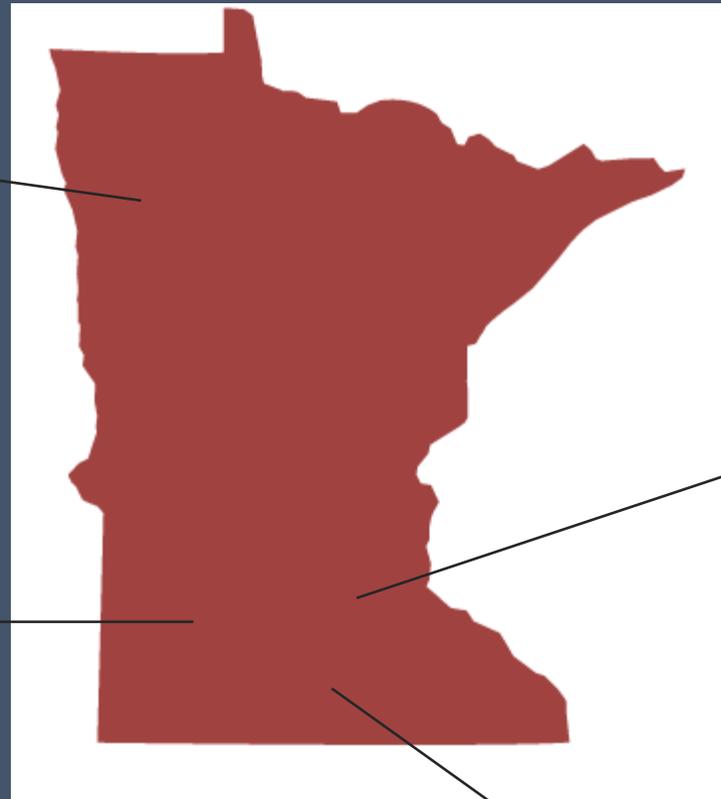


auri

Agricultural
Utilization
Research
Institute

Statewide Locations and People

Crookston
Administrative Office



*35 full and part time staff
Auri.org/staff*

*11 directors – producer
councils, grower orgs,
agribusiness, legislature,
at-large*

Metro
UMN St. Paul

Marshall
Meat and Food lab
Biobased and Renewable Energy
Analytical
Product Evaluation/Sensory

Waseca
Coproducts lab and
annex site



Cost of Living Adjustment – HF 1473

- Requesting an additional \$100,000 per year over what was approved last year for FY24 implementation
 - \$300,000 total from FY20
- **Opportunity:** Keep AURI competitive for people and operating expenses (rent, travel, salaries, benefits)
- **Current State:** Received \$100,000 in FY20/21 biennium
 - \$3.643 million FY16
 - \$3.793 million FY19
 - \$3.893 million FY20
- **Request:** \$4.193 million to base + (\$150k/yr for dedicated meat scientist ongoing) = \$4.343 million annual base
 - \$3.89 equates (7/2019) to \$4.54 million (1/2023)
 - *US Bureau Labor Statistics inflation calculator*
- **Impact:** AURI maintains its abilities to generate significant return for the state - \$291 million in new annual sales for businesses assisted, nearly 500 jobs created/retained and \$120 mil in capital investments

Capital Equipment – HF 1475

- Requesting \$1,500,000 one-time funds
- **Opportunity:** Add/upgrade equipment at Waseca and Marshall laboratories to modernize equipment and better assist MN businesses
 - Analytical, chromatography, spectroscopy, microbiology, densification, dewatering, etc.
- **Current State:** Have depreciated over \$3.7 million in asset values of older equipment
 - Some equipment still in use that we deployed in the mid 1990s
- **Need:** Major equipment upgrade for us after 30+ years of existence
 - Each year some appropriated funds used to replace or add equipment
- **Impact:** Cross functional benefits to MN businesses ranging from food to bio-industrial clients to create products and improve processes to expand market opportunities

Food Business Support – HF 1475

- Requesting \$750,000 one-time funds
- **Opportunity:** Improve efficiency and delivery of vital food training to cottage food producers and small food businesses
 - Better identify needs and create innovative solutions, ex. food safety, labeling, etc.
- **Current State:** Growing number of food producers – estimated growth from 3,000 to 7,000 cottage food registrations in MN in last several years
 - AURI cannot add resources at a linear rate – serve roughly 200 food entities per year today
- **The Need:** Funds to develop training materials and create/deploy materials via new digital platform to reach more people
- **Impact:** More efficient means to support the growing small/cottage food sector
 - Support several hundreds to thousands of new food producers vs current touch of a couple hundred



Renewable Natural Gas – HF 1475

- Requesting \$500,000 one-time funds
- **Opportunity:** MN - potential to be 8th largest RNG producer according to American Biogas Council
 - Potential for 640 manure systems and 35 food waste systems (American Biogas Council)
- **Current State:** Today 6 digestors are estimated to be in operation, others in development
 - Natural Gas Innovation Act passed in 2021
 - AURI has a unique pilot sized digester to leverage
- **The Need:** Identify and analyze feedstocks and create awareness around RNG opportunity areas
 - Create toolkit for livestock producers to inform conversations with developers
 - Upgrade equipment at Waseca and Marshall laboratories for technical assistance
- **Impact:** Toolkit created, feedstock analysis and digital deployment to illustrate opportunity areas
 - Producers more confident in decisions related to RNG opportunities
 - Significant jobs and capital investment in rural areas – 1,200+ permanent jobs, \$2.2 bil investment potential
 - Renewable energy goals – estimated 46.9 bil cubic feet of renewable methane production potential
 - Digestate for fertilizer use to support agricultural production



Great state for ag
and food
innovation...

- Historical AURI
- Client Projects
- *1989 to current
- MN Legislature Partnership

