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April 19, 2021

Representative Rena Moran, Chair
Ways and Means Committee
Minnesota House of Representatives
100 Rev. Dr. Martin Luther King, Jr. Blvd.
Saint Paul, Minnesota 55155

RE: House File 991 (Omnibus Tax Bill)

Dear Chair Moran and Committee Members:

The Land Stewardship Project's mission is to foster an ethic of stewardship for farmland, promote sustainable agriculture, and develop healthy communities. We are a membership organization made up of farmers, rural, and urban people united by shared vision and values, representing more than 5,000 Minnesotans. Among our greatest priorities are training beginning farmers, sustaining established farmers, and growing the number of farmers on the land.

LSP advocated for the creation of the Beginning Farmer Tax Credit and since then has advocated for changes to ensure that support is prioritized for those beginning farmers who need it most. Thus, we are pleased to support the provision in HF 991 that increases the tax credit rate available for sale of land or agricultural assets to socially disadvantaged farmers. Due to the impacts of centuries of structural racism and the theft and loss of land from their communities, beginning farmers who are Black, Indigenous, or people of color, and/or who are immigrants or refugees face the greatest barriers to being able to start farms. We are also happy to support the provision allowing for five percent of the funds allocated for this credit to be used by the Rural Finance Authority for administration and developing an online application to make the program more accessible.

We also strongly support major revenue-raising measures in HF 991 that ask the wealthiest Minnesotans and profitable corporations to pay their fair share, including the new fifth-tier income tax and provisions to address the problem of corporations offshoring their profits to tax havens. In 2020, the 125 members of the family who control Cargill took home a record \$1.13 billion in dividends. Corporate ag profits are booming, on the backs of farmers. In only the 2nd quarter of last year, United Health Group's profit doubled to \$6.6 billion. Corporate healthcare profits are booming, while rural Minnesotans struggle to get the care they need. The top-paid 50 CEOs in Minnesota took home a combined \$378 million in total compensation in 2019. The money is there in our society to fund the investments we need. It simply needs to be reclaimed from those wealthiest few who are hoarding it. Rural communities desperately need investment in soil-healthy farming practices, in healthcare, childcare, education, paid family leave, broadband, and more.

Sincerely,

Johanna Rupprecht
Policy Organizer – Rural Economic Justice