

Chapter 97

2020 Regular Session

Subject Farmer-Lender Mediation

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Summary

This act modifies a temporary Farmer-Lender Mediation law enacted in April. That law further delayed the enforcement of certain debts secured by agricultural property (e.g., foreclosing a farm mortgage) by extending the period for mediation between the farmer and lender from 90 to 150 days for mediations that were in progress at the time of enactment (April 16) or are initiated by a farmer between April 17 and July 30, 2020 (Laws 2020, ch. 74, art. 1, § 19).

This act further extends the mediation period to 150 days or until December 1, 2020, whichever is later. It also expands eligibility to include farmers who initiate mediation under the Farmer-Lender Mediation Act in August of 2020. These changes are retroactive to the original Farmer-Lender Mediation Act extension enacted in April.

Background: First enacted in 1986 in response to a severe farm credit crisis, the Farmer-Lender Mediation Act requires a bank or other creditor to offer mediation to an eligible farmer before enforcing a debt against agricultural property such as land, livestock, or crops. Specifically, the act applies to foreclosure, repossession, cancellation of a contract for deed, and execution of a court order or judgment. The standard mediation period under the Farmer-Lender Mediation Act is 90 days (Minn. Stat. § 583.26, subd. 4, para. (b), cl. (8)).