

Subject Agricultural loans and grants

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Summary

This bill would require the Minnesota Department of Agriculture (MDA) to award grants to eligible farmers. A farmer's grant would be equal to the loan origination fee the farmer must pay to obtain a guaranteed debt restructuring loan from the USDA's Farm Service Agency or a Rural Finance Authority loan. Eligible farmers would be individuals or family farms with a total net worth of less than \$800,000 who are either 1) currently participating in mediation with a creditor under the state Farmer-Lender Mediation Act, or 2) in receipt of a letter from a creditor notifying the farmer of his or her right to request mediation under the Farmer-Lender Mediation Act.

The bill authorizes MDA to spend up to \$880,000 for the grant program and allows the agency to retain up to \$88,000 of this amount to administer the grants.