

Subject Agriculture  
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### Overview

This bill requires the Minnesota Department of Agriculture (MDA) to develop and implement a value-added agricultural product processing and marketing grant program to help farmers finance new cooperatives that process or market the farmers' agricultural products or market agricultural services. In addition to the direction provided in this bill, MDA would further develop the program through rulemaking.

Under current law and the bill, agricultural products are marketable value-added products produced from Minnesota agricultural commodities. The bill defines agricultural services as vegetation management achieved through livestock grazing and other actions taken under the direction of a farmer that provide value to another entity.

### Summary

Section	Description
1	<b>Agricultural development grants and contracts.</b> Requires MDA to develop rules regarding the agency's administration of the value-added agricultural product processing and marketing grant program required under section 3.
2	<b>Definitions.</b> Defines the term "agricultural service" for purposes of the grant program established in section 3.
3	<b>Cooperative grants.</b> Requires MDA to establish and administer a value-added agricultural product processing and marketing grant program to assist farmers in financing new cooperatives that operate agricultural product processing facilities or market agricultural products or services. Establishes eligibility criteria, including a

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	<p>requirement that the grantee is a farmer-owned cooperative organized under the cooperative framework specified in Minnesota Statutes, chapter 308A (which generally prohibits non-patron ownership). Authorizes MDA to award grants of up to \$50,000 for specified purposes that include organization and product development, market analysis, and facility predesign.</p>
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