

Subject Agricultural Cooperatives

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Summary

This bill would require the Minnesota Department of Agriculture (MDA) to re-establish and administer a grant program to assist farmers in financing new cooperatives that operate agricultural product processing facilities or market agricultural products or services.

The bill provides eligibility criteria, including a requirement that the grantee is a farmer-owned cooperative organized under the cooperative framework specified in Minnesota Statutes, chapter 308A (which generally prohibits nonpatron ownership).

Finally, the bill authorizes MDA to award grants of up to \$50,000 for specified purposes that include cooperative organization and management, product development, facility predesign, and the completion of purchase agreements and other necessary legal documents.

In 2014, the legislature repealed a similar state statute as part of Governor Mark Dayton's "unsession" initiative to identify and eliminate unused and outdated statutes.