

Subject Agriculture
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Overview

As amended, this bill establishes a new definition of “emerging farmer” for purposes of certain state programs and appropriations. Under the new definition, emerging farmers would be those experiencing limited land access or limited market access, as those terms are defined in section 2.

H.F. 4908 does not modify the existing statutory definition of emerging farmer for purposes of the Emerging Farmers Office in the Minnesota Department of Agriculture (MDA) or the Emerging Farmers Working Group that advises MDA and the legislature (Minnesota Statutes, section 17.055, subdivision 1).

Summary

| Section | Description |
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| 1 | Beginning farmer equipment and infrastructure grants. Modifies the definition of emerging farmer for purposes of this MDA grant program by utilizing the new definition established in section 2. |
| 2 | Definitions. Defines “emerging farmer” as a farmer experiencing limited land access or limited market access. Defines “limited land access” as (1) farming under a short-term lease or other rental arrangement when the farmer is not related to the landowner, or (2) farming by renting land from an incubator farm. Defines “limited market access” as generating a majority of the farmer’s annual farm product sales through direct sales to consumers. |
| 3 | Definitions. Modifies the definition of emerging farmer for purposes of the state’s Beginning Farmer Income Tax Credits by utilizing the new definition in section 2. Under current law and this bill, owners of agricultural assets qualify for a larger income tax credit when selling or renting to emerging farmers, and the Rural Finance Authority must |

| Section | Description |
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| | reserve half of any new credits each year for owners who sell or rent to emerging farmers. |
| 4 | Authority duties. Makes conforming changes elsewhere in the Beginning Farmer Income Tax Credit statute. |
| 5 | Social equity applicants. Modifies the definition of emerging farmer for purposes of a state cannabis licensing preference for social equity applicants. Utilizes the new definition established in section 2. |
| 6 | Administration and financial assistance. Modifies the definition of emerging farmer for purposes of certain appropriations enacted in 2023. Utilizes the new definition established in section 2 for purposes of grants to The Good Acre and community development financial institutions during state Fiscal Year 2025. For purposes of Down Payment Assistance Grants in state Fiscal Year 2025, this section would require MDA to prioritize not emerging farmers, but eligible applicants who gross no less than \$100,000 per year or produce a specialty crop that is eligible for assistance under the United States Department of Agriculture’s Specialty Crop Block Grant Program. |



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