

Subject Agriculture  
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## Overview

This bill would establish a voluntary Karst Region Clean Water, Climate-Smart, and Soil-Healthy Farming Pilot Program to award per-acre payments to farmers who utilize eligible farming practices (i.e., cover cropping, no-till or strip-till, precision nutrient management, etc.) The bill would fund this pilot program by extending an expiring 40 cent/ton fee paid by fertilizer retailers (i.e., the Agricultural Fertilizer Research and Education Council fee).

The pilot program would be administered at the state level by the Board of Water and Soil Resources (BWSR), in consultation with the Minnesota Department of Agriculture (MDA). At the local level, Soil and Water Conservation Districts (SWCDs) would work directly with participating farmers.

## Summary

Section	Description
1	<p><b>Clean water, climate-smart, and soil-healthy farming data.</b></p> <p>Classifies as private or nonpublic data all farmer names, locations, and contact information associated with soil health or water quality data collected under the new Karst Region Clean Water, Climate-Smart, and Soil-Healthy Farming Pilot Program. Specifies that when this same information is associated instead with program applications or payments, it is public data. Allows BWSR and SWCDs to disclose private/nonpublic data in limited circumstances.</p>
2	<p><b>Payment of inspection fee.</b></p> <p>Extends the expiring 40 cent/ton Agricultural Fertilizer Research and Education Council fee and dedicates the proceeds to the new Karst Region Clean Water, Climate-Smart, and Soil-Healthy Farming Pilot Program.</p>

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3	<p><b>Clean water, climate-smart, and soil-health farming goals.</b></p> <p>Establishes state goals for farmer adoption of specified farming practices on tillable acres in the state.</p>
4	<p><b>Karst Region Clean Water, Climate-Smart, and Soil-Healthy Farming Pilot Program.</b></p> <p>Establishes the new program and its main elements.</p> <p><b>Subd. 1. Definitions.</b> Defines key terms, including “clean water, climate-smart, and soil-healthy farming,” “eligible farmer,” and “soil health.”</p> <p><b>Subd. 2. Pilot program.</b> Directs BWSR, in consultation with MDA, to administer the pilot program and provide technical assistance and funding to SWCDs that provide direct payments to eligible farmers to support the long-term use and maintenance of eligible practices. Specifies that the pilot program is available only to those farming in certain counties and townships located in the southeastern karst region of the state.</p> <p><b>Subd. 3. Direct payments.</b> Requires SWCDs to award participating farmers \$15 for each acre farmed with the minimum required practices (i.e., cover cropping, no-till or strip-till, and precision nutrient management). Requires larger payments of \$20/acre if the farmer uses the required practices plus at least one optional practice (i.e., perennial cropping, interseeding, organic production, roll crimping, and managed rotational grazing). Requires SWCDs to pay farmers half in February, with the second half payable the following January but only if the farmer’s acres are verified to be in compliance.</p> <p><b>Subd. 4. Carbon credits.</b> Requires MDA to explore, and authorizes MDA to establish, a carbon credit market for participating farmers. Limits MDA’s spending in this area to an unspecified amount.</p> <p><b>Subd. 5. Dedicated account.</b> Establishes a dedicated account for the program in the agricultural fund and appropriates money in the account (i.e., the AFREC fee revenue plus interest) to BWSR to award payments and for BWSR and MDA administrative costs.</p> <p><b>Subd. 6. Additional enrollment; equity.</b> Requires BWSR, in consultation with MDA, to develop a process for enrolling additional farmers and acres that includes an equity component.</p>
5	<p><b>Data collection and reporting.</b></p> <p>Requires BWSR, in consultation with MDA, to measure soil health indicators on land farmed by participating farmers. Requires MDA to monitor ground and surface water</p>

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	quality too. Requires BWSR, in consultation with MDA, to report program and environmental outcomes to the legislature annually.
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