

Subject Farm down payment assistance grants

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Overview

This bill makes several changes to the farm down payment assistance grant program administered by the Minnesota Department of Agriculture (MDA). Under this program, MDA awards grants up to \$20,000 to eligible farmers that intend to purchase farmland. Eligible farmers commit to own and farm the land for at least five years.

Each section would be effective July 1, 2026.

Summary

Section	Description
1	Definitions. Adds a farming experience or knowledge requirement to the definition of “eligible farmer.”
2	Grants. Allows MDA to award grants up to \$40,000 for eligible farmers purchasing more than 75 acres of farmland. Establishes an acreage minimum of two acres. Adds the following additional constraints based on farmland location: (1) if the farmland is zoned residential, the farmland is ineligible; (2) if the farmland is zoned commercial, the eligible farmer must include a business plan with application; and (3) if the farmland is within boundaries of a statutory or home rule charter city, the eligible farmer must earn at least \$1,000 in annual revenue.
3	Administration and financial assistance. Modifies the fiscal year 2027 farm down payment assistance rider to require MDA to reserve half of the appropriation for applicants who have a purchase agreement at the time of application.



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