

April 9, 2019

The Honorable Jeanne Poppe
487 State Office Building
Saint Paul, Minnesota 55155

Dear Chair Poppe:

I want to thank you and your colleagues for putting together the proposed agriculture budget contained in HF2200. Our agency appreciates the commitment of you and the members of the House Agriculture and Food Finance and Policy Committee to the budget process. HF2200 represents a commitment not only to Minnesota's agriculture sector, but also to community prosperity throughout One Minnesota.

Governor's Budget Requests

Earlier this year Governor Walz outlined his budget request for the Minnesota Department of Agriculture. Governor Walz invested \$6.132 million in general funds to respond to the needs of Minnesota's agriculture industry. The Department is grateful that House proposal includes Governor Walz's budget requests as well as an ambitious proposal to confront Chronic Wasting Disease (CWD) in our state.

With family farm income at the lowest levels in 23 years, the Governor's agriculture funding priorities focused on enhancing the ability of the Department to respond to critical issues facing Minnesota agriculture in a time of extreme financial insecurity for our family farmers.

The Governor's agriculture funding priorities include:

- \$600,000 in FY20-21 to ensure Minnesota farmers and businesses can grow, process, and market industrial hemp.
- \$400,000 in FY20-21 to increase international trade and domestic market opportunities.
- \$300,000 in FY20-21 to provide timely meat inspections for small, local, and specialty meat processors make certain food safety standards are met and businesses can operate efficiently. This funding would also generate matching federal money.

\$1.8 million in funding to the Department's Noxious Weeds Program to provide resources to manage and eradicate noxious weeds as well as provide grants to local governments to combat invasive weeds such as Palmer amaranth.

- \$925,000 to restore funding to the state's Agricultural Emergency Account and support work at the Department and Board of Animal Health to train and prepare for the next emergency such as African Swine Fever.

- \$500,000 for the Department's Laboratory to detect and identify new plant insects and diseases that threaten Minnesota's agricultural, horticultural, and natural resources.
- \$1.157 million in funds to ensure that the Department's world-class laboratory can continue to provide critical services that protect public safety, the environment, and the ag economy.
- \$450,000 to address the rural mental crisis and provide farm assistance to our family farms facing financial collapse.

HF2200 recognizes the need to invest in the future of Minnesota agriculture and rural communities at a time when Minnesota's agricultural economy is facing a significant downturn.

While the Department does have concerns about a few provisions within HF2200, I am confident that we can continue to work together moving forward to achieve consensus on a budget that will empower our farmers and communities throughout Minnesota.

Sincerely,

A handwritten signature in cursive script that reads "Thom Petersen".

Thom Petersen
Commissioner

CC:
House Way & Means Finance Committee Chair Lyndon Carlson