HE 3009

Fact Sheet



Wind Power Generation and the Alien Farm Law (HF 3009)

BACKGROUND

Minnesota's Alien Farm Law (M.S. 500.221) currently prohibits companies with more than 20 percent foreign ownership from having any type of interest in agricultural land. In recent years, this prohibition has posed a problem for some companies seeking to develop new wind energy facilities in greater Minnesota. The root of the problem is that when siting new wind turbines, wind energy companies need to acquire easements for repair and maintenance of transmission lines. However, if these easements involve agricultural land, they violate the state's Alien Farm Law.

MDA has received numerous inquiries from foreign-owned entities in wind energy production. These companies seek to site turbines in Minnesota, but have expressed concern because they are restricted from having an interest in agricultural land under the Alien Farm Law. Other states already allow foreign entities to have such access, and this creates a competitive disadvantage at a key moment as Minnesota seeks to develop alternative energy production capacity.

DETAILS

This proposal seeks to modify the agricultural land foreign ownership restrictions of M.S. 500,221 to allow a limited exception whereby foreign entities may obtain an easement on agricultural land if the use of the easement is for transmission line access for wind energy purposes. The proposal has no fiscal impact.

This limited exemption removes an unintended barrier to development of green energy in Minnesota, while retaining the protections for agricultural land as originally intended under the Alien Farm Law. It also helps ensure that Minnesota will not lose out to other states as the nation goes through an important period of building infrastructure for 21st century green energy production.

FOR MORE INFORMATION:

Quinn Cheney, MDA Policy Director, 651-201-6180, <u>quinn.cheney@state.mn.us</u> Mike Schommer, MDA Communications, 651-201-6629, <u>Michael.schommer@state.mn.us</u> MDA Website: <u>www.mda.state.mn.us</u>