

1.1 **ARTICLE ...**

1.2 **DISASTER RELIEF**

1.3 Section 1. Minnesota Statutes 2020, section 41B.047, subdivision 3, is amended to read:

1.4 Subd. 3. **Eligibility.** To be eligible for this program, a borrower must:

1.5 (1) meet the requirements of section 41B.03, subdivision 1;

1.6 (2) certify that the damage or loss was (i) sustained within a county that was the subject
1.7 of a state or federal disaster declaration; (ii) due to the confirmed presence of a highly
1.8 contagious animal disease in Minnesota; (iii) due to an infectious human disease for which
1.9 the governor has declared a peacetime emergency; or (iv) due to an emergency as determined
1.10 by the authority;

1.11 (3) demonstrate an ability to repay the loan; and

1.12 (4) have received at least ~~50~~ 25 percent of ~~average~~ annual gross income from farming
1.13 ~~for in~~ the past ~~three years~~ year.

1.14 Sec. 2. **DROUGHT RELIEF GRANTS; APPROPRIATION.**

1.15 Subdivision 1. **Appropriation.** \$8,100,000 in fiscal year 2022 is appropriated from the
1.16 general fund to the commissioner of agriculture to award grants and other forms of financial
1.17 assistance to livestock farmers and specialty crop producers impacted by drought during
1.18 2021. For the purposes of this section, "specialty crop" means an eligible crop under the
1.19 United States Department of Agriculture's specialty crop block grant program. The
1.20 commissioner may use up to 6.5 percent of this appropriation to administer this section.
1.21 This appropriation is available until June 30, 2024.

1.22 Subd. 2. **Eligibility.** (a) To be eligible under this section, a farmer or producer must:

1.23 (1) be located in a county designated by the United States Department of Agriculture as
1.24 a primary natural disaster area after July 19, 2021, and before January 1, 2022, or in a county
1.25 contiguous to a designated county; and

1.26 (2) provide to the commissioner an inventory of expenses incurred by the farmer or
1.27 producer and attest that the farmer or producer incurred these expenses in response to the
1.28 drought.

1.29 (b) Eligible expenses under paragraph (a), clause (2), include but are not limited to costs
1.30 incurred by a livestock farmer to transport feed or feed ingredients up to 25 miles to and
1.31 from the farm if the farmer is not compensated for the same expenses through the United

2.1 States Department of Agriculture's Emergency Assistance for Livestock, Honey Bees, and
 2.2 Farm-raised Fish program.

2.3 Subd. 3. **Payment amount.** The commissioner may award an eligible farmer or producer
 2.4 a grant or other form of financial assistance equal to the total amount attested to under
 2.5 subdivision 2, paragraph (a), clause (2), or \$7,500, whichever is less.

2.6 Subd. 4. **Application process.** (a) The commissioner must accept applications under
 2.7 this section for at least ten business days and may accept any additional applications
 2.8 postmarked during this same period.

2.9 (b) If total eligible applications received during the initial application period exceed the
 2.10 amount appropriated under subdivision 1, the commissioner must award grants or other
 2.11 forms of financial assistance to eligible applicants on a pro rata basis.

2.12 (c) If total eligible applications received during the initial application period do not
 2.13 exceed the amount appropriated under subdivision 1, the commissioner must solicit and
 2.14 accept additional applications until any remaining amount is exhausted or cancels to the
 2.15 general fund.

2.16 Subd. 5. **Report.** Beginning January 10, 2023, and annually thereafter until January 10,
 2.17 2025, the commissioner must report on expenditures and activities under this section to the
 2.18 legislative committees and divisions with jurisdiction over agriculture finance. The reports
 2.19 must include a breakdown of grants by type of farm, either livestock or specialty crop, and
 2.20 by county.

2.21 Sec. 3. **TRANSFER; RURAL FINANCE AUTHORITY.**

2.22 \$2,500,000 in fiscal year 2022 is transferred from the general fund to the Rural Finance
 2.23 Authority Revolving Loan account established under Minnesota Statutes, section 41B.06,
 2.24 with priority given to drought relief loans under Minnesota Statutes, section 41B.047.
 2.25 Beginning January 10, 2023, and annually thereafter until January 10, 2025, the commissioner
 2.26 of agriculture must report expenditures and activities under this section to the legislative
 2.27 committees and divisions with jurisdiction over agriculture finance.

2.28 Sec. 4. **APPROPRIATION; VETERINARY DISEASE TESTING EQUIPMENT.**

2.29 \$1,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
 2.30 of agriculture for a grant to the Board of Regents of the University of Minnesota to purchase
 2.31 equipment for the Veterinary Diagnostic Laboratory to test for chronic wasting disease,
 2.32 African swine fever, avian influenza, and other animal diseases. The Veterinary Diagnostic

3.1 Laboratory must report expenditures and activities under this section to the legislative
 3.2 committees and divisions with jurisdiction over agriculture finance and higher education,
 3.3 with an initial report completed by January 3, 2023, and a final report by September 1, 2023.
 3.4 The reports must include a list of equipment purchased, including the cost of each item.
 3.5 This appropriation is available until June 30, 2023.

3.6 Sec. 5. **TRANSFER; AGRICULTURAL EMERGENCY ACCOUNT.**

3.7 (a) \$1,500,000 in fiscal year 2022 is transferred from the general fund to the agricultural
 3.8 emergency account established under Minnesota Statutes, section 17.041. This transfer is
 3.9 in addition to the transfer under Laws 2022, chapter 47, section 2.

3.10 (b) Notwithstanding Minnesota Statutes, section 17.041, the commissioner may use the
 3.11 amount transferred under this section for the purposes identified in Laws 2022, chapter 47,
 3.12 section 2. This paragraph expires on December 31, 2022.

3.13 Sec. 6. **EFFECTIVE DATE.**

3.14 This article is effective the day following final enactment.

3.15 **ARTICLE ...**

3.16 **NATURAL RESOURCES**

3.17 Section 1. **APPROPRIATIONS; DROUGHT RELIEF.**

3.18 (a) \$300,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
 3.19 of natural resources for costs associated with resolving well interferences confirmed by the
 3.20 Department of Natural Resources that occurred after April 30, 2021, and before December
 3.21 31, 2021. This appropriation is available until June 30, 2026.

3.22 (b) \$5,000,000 in fiscal year 2023 is appropriated from the general fund to the
 3.23 commissioner of natural resources to replace drought-killed seedlings on lands managed
 3.24 by the Department of Natural Resources and to administer grants to Tribal, county, and
 3.25 private forestland owners to replace drought-killed seedlings on their land. Seedling
 3.26 replacement includes site prep, replanting, and tending seedlings. This is a onetime
 3.27 appropriation and is available until June 30, 2027.

3.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.