



To: Members of the House Agriculture Finance and Policy Committee
From: David Larson, Cooperative Network, Government Affairs Director
Date: April 6, 2022
RE: House File 4366

Chair Sundin and Members of the Committee, thank you for allowing me the opportunity to submit written testimony regarding House File 4366.

My name is David Larson, and I am the Government Affairs Director for Cooperative Network. We are a two-state trade association of member-owned cooperatives of all kinds located throughout Minnesota & Wisconsin.

We appreciate Chair Sundin for bringing this legislation forward, but we are disappointed that the proposal to increase the maximum reimbursable amount in the ACRRA program was not included. In MDA's February report on the ACRRA program, they noted that the average cost per site "has increased significantly since the start of the program". The cap was last raised in the year 2000, and the top reimbursement level no longer keeps up with the rising costs of site cleanup, let alone inflation.

However, we are pleased that this legislation establishes a grant program to help finance new cooperatives for agricultural purposes, such as operating a processing facility or marketing an agricultural product or service. These grants of up to \$50,000 can be used by individuals seeking to form a co-op for anything from product development to site analysis for a potential future facility.

In closing, Cooperative Network thanks the Chair and the Committee for their work on House File 4366, and we hope to continue to be involved throughout the process.