

Subject Drought relief
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Overview

This bill provides relief to eligible farmers impacted by the 2021 drought. It also appropriates money to the Department of Natural Resources (DNR) for specified drought-related purposes.

In article 1, the bill expands eligibility for the existing Rural Finance Authority (RFA) Disaster Recovery Loan Program, appropriates money to the Minnesota Department of Agriculture (MDA) for drought-relief grants to eligible farmers, and provides additional funding for drought relief loans through the amended Disaster Recovery Loan Program.

In article 2, the bill appropriates money to the DNR for specified drought-related purposes including replacing drought-killed seedlings, resolving well interference issues, and providing grants to local and Tribal governments to increase water efficiency, remove and plant shade trees, and acquire tree-watering equipment.

Article 1: Agriculture

This article modifies the Disaster Recovery Loan Program, establishes a onetime drought-relief program for eligible farmers, and increases funding for drought-related Disaster Recovery Loans.

Section	Description – Article 1: Agriculture
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1	Eligibility.
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	Expands eligibility for the RFA’s Disaster Recovery Loan Program. Lowers borrower income criteria from at least 50 percent of average gross income from farming in the past three years, to at least 20 percent in the past year.
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Section Description – Article 1: Agriculture

2 Appropriations to be given effect once.

Specifies that if an appropriation or transfer in this act is also enacted in another bill during the 2022 regular session, the executive branch must give the duplicate appropriations or transfers effect only once.

3 Appropriation; drought relief.

Appropriates \$5,100,000 onetime to the MDA to reimburse livestock farmers and specialty crop producers for up to \$10,000 of drought-related expenses incurred between April 1, 2021, and May 1, 2022. Specifies that \$100,000 of the total is to reimburse livestock farmers for certain feed and forage transportation costs. Authorizes MDA to use up to \$331,000 of the appropriation to administer this drought relief. Requires MDA to give preference to those who farm in areas of the state classified as exceptional drought (D4) during 2021, followed by those in areas classified as extreme (D3) or severe (D2) drought. Requires MDA to award funding at random if applications exceed available funding for D4 or D2-D3 farmers. Reserves specific amounts for livestock farmers, specialty crop producers, and farmers' market vendors who are also livestock farmers or specialty crop producers. Requires MDA to provide outreach to emerging farmers.

4 Transfer; Rural Finance Authority.

Transfers \$5,000,000 to the RFA's revolving loan account. Requires RFA to prioritize drought-relief loans through the amended Disaster Recovery Loan Program with this new funding.

5 Effective date.

This article would be effective the day following final enactment.

Article 2: Natural Resources

This article appropriates money to the DNR for specified drought-related purposes, including replacing drought-killed seedlings, resolving well interference issues, and providing grants to local and Tribal governments to increase public water supply efficiency, remove and plant shade trees, and acquire tree-watering equipment.



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