

1.1 A bill for an act
1.2 relating to agriculture; providing for dairy investment matching grants;
1.3 appropriating money; proposing coding for new law in Minnesota Statutes,
1.4 chapter 17.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **[17.118] DAIRY INVESTMENT MATCHING GRANT PROGRAM.**

1.7 (a) The commissioner may award a dairy investment grant of up to \$40,000 to a
1.8 person who manages and milks 100 or fewer dairy cows in this state and who will spend
1.9 the grant on qualifying expenditures, provided the person makes qualifying expenditures
1.10 from other sources that will match the amount of the grant.

1.11 (b) For purposes of this section, "qualifying expenditures" means the amount spent
1.12 for the acquisition of equipment for dairy animal housing, for confinement, for animal
1.13 feeding, for production and delivery of milk and other dairy products, and for waste
1.14 management, including the following, if related to dairy animals in this state:

- 1.15 (1) freestall barns;
1.16 (2) fences;
1.17 (3) watering facilities;
1.18 (4) feed storage and handling equipment;
1.19 (5) milking parlors;
1.20 (6) robotic equipment;
1.21 (7) scales;
1.22 (8) milk storage and cooling facilities;
1.23 (9) bulk tanks;
1.24 (10) manure pumping and storage facilities;

- 2.1 (11) digesters;
2.2 (12) equipment used to produce energy; and
2.3 (13) on-farm processing and refrigerated trucks for delivery of milk and other dairy
2.4 products.

2.5 (c) To be eligible for the dairy investment reimbursement grant, a person must
2.6 apply to the commissioner on forms prescribed by the commissioner and must include
2.7 a statement of the intended qualifying expenditures, including matching qualifying
2.8 expenditures, along with any proof or other documentation the commissioner may require.

2.9 (d) The commissioner shall review completed applications and award grants to
2.10 eligible applicants in the order in which applications were received by the commissioner.
2.11 The commissioner shall notify in writing any applicant who applies for a grant of the
2.12 decision made on the grant application and, if it is denied, the reasons for the denial.

2.13 Sec. 2. **APPROPRIATION.**

2.14 \$..... of the amount appropriated to the rural finance authority for the fiscal
2.15 biennium ending June 30, 2009, for the methane digester loan program established in
2.16 Minnesota Statutes, section 41B.049, are appropriated to the commissioner of agriculture
2.17 for the dairy investment matching grant program established in Minnesota Statutes,
2.18 section 17.118. This appropriation is available until June 30, 2009.

2.19 Sec. 3. **EFFECTIVE DATE.**

2.20 Sections 1 and 2 are effective the day following final enactment.