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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1456

03/04/2015 Authored by Bly
The bill was read for the first time and referred to the Committee on Agriculture Policy

1.1 A bill for an act
1.2 relating to agriculture; establishing a perennial feedstock program; appropriating
1.3 money; proposing coding for new law in Minnesota Statutes, chapter 41A.

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

1.5 Section 1. **[41A.18] PERENNIAL FEEDSTOCK PROGRAM.**

1.6 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
1.7 have the meaning given.

1.8 (b) "Advanced biofuel" has the meaning given in section 239.051, subdivision 1a.

1.9 (c) "Agricultural use" has the meaning given in section 17.81, subdivision 4.

1.10 (d) "Board" means the Board of Water and Soil Resources.

1.11 (e) "Perennial crops" means agriculturally produced plants that are known to be
1.12 noninvasive and not listed as a noxious weed in Minnesota and that have a life cycle of at
1.13 least three years at the location where the plants are being cultivated. Biomass from alfalfa
1.14 produced in a two-year rotation shall be considered a perennial crop.

1.15 Subd. 2. **Establishment.** The board shall administer a perennial feedstock program
1.16 to incentivize the establishment and maintenance of perennial agricultural crops. The
1.17 board shall contract with landowners and give priority to contracts that implement water
1.18 protection actions as identified in a completed watershed restoration and protection
1.19 strategy developed under section 114D.26.

1.20 Subd. 3. **Eligible land.** Land eligible under this section must:

1.21 (1) have been in agricultural use or have been set aside, enrolled, or diverted under
1.22 another federal or state government program for at least two of the last five years before
1.23 the date of application; and

2.1 (2) not be currently set aside, enrolled, or diverted under another federal or state
 2.2 government program.

2.3 Subd. 4. **Contract terms.** (a) The board shall offer a contract rate of no more
 2.4 than 90 percent of the most recent federal conservation reserve program payment for the
 2.5 county in which the land is located. The board may make additional payments to assist
 2.6 with the establishment of perennial crops.

2.7 (b) Contracts must be at least ten years in duration.

2.8 (c) Perennial crops grown on lands enrolled under this section may be used for
 2.9 advanced biofuel feedstock or livestock feed. Mechanical harvest is not allowed before
 2.10 July 1 in any year.

2.11 (d) The board may establish additional contract terms.

2.12 Subd. 5. **Pilot watershed selection.** The board may select up to two watersheds in
 2.13 which to conduct an initial pilot program of up to 200,000 total acres. Project watersheds
 2.14 must have, as determined by the board:

2.15 (1) a completed watershed restoration and protection strategy developed under
 2.16 section 114D.26, or a hydrological simulation program model developed by the Pollution
 2.17 Control Agency;

2.18 (2) multiple water quality impairments resulting primarily from agricultural practices;

2.19 (3) a viable proposed advanced biofuel production facility located within 50 miles
 2.20 of the perennial feedstock grown under this section; and

2.21 (4) sufficient additional acres of cropland available for perennial crop production to
 2.22 adequately supply the proposed advanced biofuel production facility.

2.23 Sec. 2. **APPROPRIATION.**

2.24 \$..... in fiscal year 2016 and \$..... in fiscal year 2017 are appropriated from the
 2.25 general fund to the Board of Water and Soil Resources for purposes of section 1.