Financial Assistance Programs

DEPARTMENT OF AGRICULTURE

Additional Grants, Rebate, Compensation and Advocate Programs

Agricultural Chemical Response & Reimbursement Account
Reimburses costs incurred while cleaning up agricultural chemical (pesticide and fertilizer) incidents.

Compensation for Crops Damaged by Elk
Reimburses farmers and ranchers for crop damage caused by elk in parts of Minnesota.

Wolf Depredation Compensation
Reimburses livestock owners for losses caused by wolves and offers tips to prevent wolf depredation.

Dairy Profitability & Enhancement Teams
Teams of professionals help producers increase farming profitability and make a plan to transfer their farm to the next generation.

Dairy Business Planning Grant
Grants encourage dairy business planning and modernization activities of Minnesota dairy farms.

Specialty Crop Grants
Grants help specialty crop growers increase the competitiveness of fruits and vegetables, tree nuts, dried fruits, horticulture and nursery crops, including floriculture.

Forest Protection Reserve Appropriation
Grants aid municipalities and organizations in preparing for new infestations of emerald ash borer or to respond to existing infestations.

Wolf-Livestock Conflict Prevention Grants
Grants to cover costs of approved practices to prevent wolf-livestock conflicts

Bee Kill Compensation Program
Allows for compensation to beekeepers when an MDA investigation determines "acute pesticide poisoning" as the cause of hive death.

Beginning Farmer Tax Credit
www.mda.state.mn.us/bftc
The Minnesota Beginning Farmer Tax Credit provides tax credits for the rent or sale of farm land or a variety of farm assets to beginning farmers. This includes incentives for the sale of farm land.

Minnesota Agricultural Water Quality Certification Program (MAWQCP) Financial Assistance Grant
Grants of up to $5,000 for producers seeking certification under the MAWQCP.

Minnesota ROPS Rebate Program
70% rebates for tractor rollover protective structures (ROPS) with a maximum out-of-pocket cost of $500. Call 1-877-ROPS-R4U and press 2.

Farm Advocate Program
Our Farm Advocate Program provides farmers, small business operators and other residents with one-on-one assistance in accessing federal aid and other resources available to them in a time of crisis.

For more information about these programs, contact:

Minnesota Department of Agriculture
625 Robert Street North
St. Paul, MN 55155
651-201-6000

All financial assistance programs are subject to changes and applicant eligibility. Please visit the MDA's Grants, Loans, & Financing webpage for more information at www.mda.state.mn.us/grants.aspx.

In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711. The MDA is an equal opportunity employer and provider. File Name: Financial Assistance Programs Brochure.indd 10/26/2020

Agricultural Growth, Research and Innovation (AGRI) Program

The AGRI Program awards grants and other forms of financial assistance to create agricultural jobs and support profitable businesses. **For a complete list of AGRI Grants, visit** www.mda.state.mn.us/grants/agri **or call or call the MDA Grants Hotline at 651-201-6500**.

Livestock Investment Grants
Grants provide a 10% reimbursement for the purchase, construction, or improvement of buildings or facilities for livestock production.

Value-Added Equipment Grants
Grants provide 25% of the cost of equipment or physical improvements that will add value to/increase sales of Minnesota agricultural products.

Value-Added Feasibility Study Grants
Reimbursement available for conducting a feasibility study that will add value to and increase the sales of Minnesota agricultural products.

Crop Research Grants
Grants fund 100% of the costs associated with applied research to improve agricultural product quality, quantity and/or value.

Urban Agriculture Grants
Grant funds cover up to 100% of equipment or physical improvement purchases and/or labor for urban youth agricultural education and urban agriculture community development projects.

County Fair Grants
All Minnesota county fairs receive funds to preserve and promote Minnesota agriculture.

Sustainable Agriculture Demonstration Grants
Grants are available to cover 100% of on-farm research and demonstrations exploring sustainable agricultural practices.

Minnesota Pavilion Space Cost-Share
Offsets 50% of the costs associated with exhibit space at regional, national and international trade-only events. Minnesota companies that grow, make or process food/agricultural products are eligible.

Tradeshow/Demonstration Support Program (TSP)
Cost-sharing of booth space and other expenses at wholesale food tradeshows and support for in-store product sampling demonstrations.

Bio-incentive Program
Provides production payments to encourage commercial-scale production of advanced biofuels, renewable chemicals, and thermal energy production from biomass. Payments available for chemicals containing at least 51% bio-based content, and biomass thermal energy; or for fuels that meet the greenhouse gas benefit requirements of the EPA's Renewable Fuels Standard.

Beginning Farmer Farm Business Management (FBM) Scholarship
Scholarships pay 50% of tuition costs of FBM education for beginning farmers. Funds support 8-10 credits per academic year, with a maximum of 40 cumulative FBM credits per student.

Farm to School/Early Care Education Grants
Grants available to increase the purchase and use of Minnesota agricultural products in food service programs. Equipment grants provide 50% of the cost of equipment purchases and planning grants provide 75% of the costs associated with developing a farm to institution plan of action.

Good Food Access Program (GFAP) Technical Assistance Grants
Grants provide up to 75% of costs of providing needs-based technical assistance to food retailers in eligible areas.

Good Food Access Program (GFAP) Equipment/Physical Improvement Grants
Grants reimburse 100% of costs for retailers to buy equipment/make physical improvements to increase the availability of and access to affordable, nutritious and culturally appropriate food in eligible areas.

Good Agricultural Practices/Good Handling Practices (GAP/GHP) Cost-Share Program
Provides 75% reimbursement of costs associated with GAP/GHP certification.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Livestock Investment									■	■	■	■
Value Added: Feasibility Study	■								■	■	■	■
Crop Research									■	■	■	
Urban Agriculture									■	■	■	
County Fair	■	■						■	■	■	■	■
Sustainable Ag Demo								■	■	■	■	■
MN Pavilion Cost Share	■	■	■	■	■	■	■	■	■	■	■	■
Tradeshow and Demo Support	■	■	■	■	■	■	■	■	■	■	■	■
Bioincentive Program	■	■	■	■	■	■	■	■	■	■	■	■
Beginning Farmer Scholarship	■	■	■	■	■	■	■	■	■	■	■	■
Farm to School/Early Care					■	■	■	■	■	■	■	
GFAP Technical Assistance	■									■	■	■
GFAP Equipment/Physical Improvement	■									■	■	■
GAP/GHP Cost Share	■	■	■	■	■	■	■	■	■	■	■	■

■ Applications and/or proposals accepted during these application periods.

DEPARTMENT OF AGRICULTURE

Low Interest Loans

Program	Funding Limits	Use of Proceeds	Terms and Maturity	Fees	Qualifications
AgBMP Loans www.mda.state.mn.us/grants/loans/agbmploan	• $200,000 maximum loan • May have multiple loans • Total of all outstanding loans cannot exceed $200,000	Any project or practice that helps water quality such as conservation tillage equipment, feedlot improvements, manure management equipment, well improvements, and any septic system, as well as many other practices that can be reviewed by your local government	• Maximum loan length of 10 years • Maximum interest rate of 3% • Lender may require collateral • Borrower must meet lender's lending criteria	Lender may charge customary fees AgBMP: no fee	• Project must protect or improve water quality • Farmer, Rural Landowner, or Farm Supply Business may apply • Contact your local government to review and approve projects. Local contacts can be found at www.mda.state.mn.us/agbmploan
RFA Beginning Farmer Loan Program www.mda.state.mn.us/business-dev-loans-grants/beginning-farmer-loan-program **RFA Seller-Assisted Loan Programs** www.mda.state.mn.us/seller-assisted-loan-participation-program	• RFA participation: 45% of first mortgage with a maximum of $400,000	Purchase of farm real estate	• RFA portion - 2.0% interest rate • Lender and seller portion - negotiate • Pay at least 10% down of appraisal value • 15-30 year terms • RFA participation will balloon after 10 years	RFA: $50 application fee (non-refundable)	• Applicant must farm unit and be or intend to become a full-time farmer • Net worth of less than $851,000 (including spouse and dependents) • Sufficient education or experience to succeed in intended farming practice • Agree to enroll in farm business management program and consult with your local Soil and Water Conservation District office • Agree to obtain credit life insurance to cover the purchase the property
RFA Agricultural Improvement Program www.mda.state.mn.us/agricultural-improvement-loan-program	• RFA participation: 45% of first mortgage with a max. of $400,000	Finance capital improvements to farming operation. Can be used to improve land and/or structures, efficiency, productivity, or increase farm income. Also includes wind energy conversion up to one megawatt (limited refinancing)	• RFA portion - 2.25% interest rate • Lender portion - negotiate • 1-15 year terms • RFA participation will balloon after 10 years	RFA: $50 application fee (non-refundable)	• Applicant must farm unit and be or intend to become a full-time farmer • Net worth of less than $851,000 (including spouse and dependents) • Have sufficient education or experience to succeed in intended farming practice • Consult with your local Soil and Water Conservation District office
RFA Livestock Expansion Program www.mda.state.mn.us/livestock-expansion-loan-program	• RFA participation: 45% of first mortgage with a max. of $525,000	Finance improvements to livestock facilities (purchase of livestock not allowed) (no refinancing)	• RFA portion - 2.5% interest rate • Lender portion - negotiate • 1-15 year terms • RFA participation will balloon after 10 years	RFA: $50 application fee (non-refundable)	• Must farm unit full-time; at least one of the applicants must be the principal operator and actively engaged in a livestock operation • Net worth of less than $1,809,000 (including spouse and dependents) • Show financial need and ability to repay loan
RFA Restructure II Program www.mda.state.mn.us/restructure-ii-loan-program	• RFA participation: 45% of first mortgage with a max. of $525,000	Restructure of agricultural debt for farmers in good credit standing experiencing trouble meeting cash flow due to adverse events	• RFA portion - 2.5% interest rate • Lender portion - negotiate • 1-30 year terms • RFA participation will balloon after 10 years	RFA: $50 application fee (non-refundable)	• Net worth of less than $1,809,000 (including spouse and dependents) • Have received 50% of gross income from farming in past three years • Have operating expenses that do not exceed 95% of income • Consult with your local Soil and Water Conservation District office
RFA Livestock Equipment Loan Program www.mda.state.mn.us/livestock-equipment-loan-program	• RFA participation: 45% of equipment loan with a max. of $100,000	Finance the purchase of livestock equipment for housing, confinement, feeding, watering, fencing, milk production and waste management (no refinancing)	• RFA portion - 2% fixed interest rate • Lender portion - negotiate • 1-10 year terms	RFA: $50 application fee (non-refundable)	• Must farm unit full-time; at least one of the applicants must be the principal operator and actively engaged in a livestock operation • Net worth of less than $484,266 (including spouse and dependents) • Show financial need and ability to repay loan
RFA Disaster Recovery Loan Program www.mda.state.mn.us/disasterloan	• RFA participation: 45% of loan with a max. of $200,000	Finance, repair or replacement of structures and resources not covered by insurance after natural disaster. Replace flocks, make building improvements, or cover loss of revenue due to avian influenza	• 0% or less fixed interest rate • 1-10 year terms	RFA: $50 application fee (non-refundable)	• Certify that the damage or loss was sustained within a county that was subject of a state or federal disaster declaration, or due to avian influenza • Have received 50% of average gross annual income from farming in past three years
RFA Value-Added Stock Loan Program www.mda.state.mn.us/value-added-stock-loan-program	• RFA participation: 45% of loan with a maximum of $40,000 • No more than 95% of purchased stock value will be loaned	Finance the purchase of stock shares in commodity processing business	• 2% fixed interest rate • 1-8 year terms	RFA: $50 application fee (non-refundable)	• Producer must grow the ag product which is to be processed by an agricultural product processing facility • Have a total net worth of less than $484,266 (indexed for inflation), including the assets and liabilities of spouse and dependents
Methane Digester Loan Program www.mda.state.mn.us/methane-digester-loan-program	• $250,000	Finance the purchase and construction of a system designed to produce electricity from manure May be used as match for Federal loan/grant	• 0% interest rate • 1-10 year terms	$100 application fee (non-refundable)	• Provide evidence that the practices implemented and capital assets purchased will be properly managed and maintained • Have not previously received a loan under this program
Farm Opportunity Loan Program www.mda.state.mn.us/business-dev-loans-grants/farm-opportunity-loan-program	• 45% of the principal amount up to $100,000 per individual; • 45% of the principal amount up to $250,000 per group	Finance machinery or equipment to add value to crops or livestock; adopt best management practices; reduce or improve management of ag inputs resulting in environmental improvements; or increase production of on-farm energy (no refinancing)	• 2% fixed interest rate for 10 years	RFA: $50 application fee (non-refundable)	• Must farm unit and farm full-time • Show financial need and ability to repay loan
Pilot Agriculture Microloan Loan Program www.mda.state.mn.us/pilot-agricultural-microloan-program	• Max Loan of $20,000 or 70% of the Farms Marketable product value whichever is less. • Up to a max of a 6 year term	Assist non-traditional farmers by providing lending capital while developing their farm business towards traditional agricultural credit. Farmers can borrow for working capital	• up to a max of 10% interest • 1-6 year terms	RFA: $50 application fee (non-refundable)	• resident of the State of Minnesota, utilizing funds towards the production and marketing of specialty crops, with ability to repay the loan. and • a member under Minn. Stat. § 43A.02, subdiv. 33 or under Minn. Stat. § 256B.06, subdiv. 4, par. (b)
RFA Beginning Farmer/Aggie Bond www.mda.state.mn.us/business-dev-loans-grants/aggie-bond-beginning-farmer-loan-program	• $533,500 max loan • $250,000 for new depreciable property • $62,500 max for used depreciable asset	Purchase of farmland, buildings, new or used depreciable ag property such as breeding livestock, dairy livestock, and machinery	• Reduced interest rate for buyer and tax benefit for lender	RFA: $50 application fee (non-refundable) 1.50% origination fee	• Net worth less than $851,000 • Never have owned more than 30% of county median sized farm • Agree to enroll in farm business management program and consult with local Soil and Water Conservation District

For More Information on Low Interest Loans ▶ RFA: 651-201-6004 www.mda.state.mn.us/agfinance ▶ AgBMP: 651-201-6618 www.mda.state.mn.us/agbmploan