

**Subject** Biofertilizer innovation and efficiency program

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## Overview

This bill would establish the biofertilizer innovation and efficiency program and appropriate \$1,500,000 in fiscal year 2026 to the Minnesota Department of Agriculture (MDA) for the program. This program would provide per-acre payments to farmers who reduce their application of commercial nitrogen fertilizers and apply an alternative qualifying product.

## Summary

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| 1 | <p><b>Commercial nitrogen fertilizer.</b></p> <p>Defines commercial nitrogen fertilizer as fertilizer with more than 25% nitrogen content for purposes of the biofertilizer innovation and efficiency program.</p>   |
| 2 | <p><b>Biofertilizer innovation and efficiency program.</b></p> <p><b>Subd. 1. Program established.</b> Directs MDA to develop and administer the biofertilizer innovation and efficiency program in consultation with the Department of Natural Resources and Soil and Water Conservation Districts. Requires MDA to determine qualifying products that eligible farmers may use as an alternative to commercial nitrogen fertilizer.</p> <p><b>Subd. 2. Payments to qualified farmers.</b> Requires MDA to make per-acre payments to eligible farmers under subdivision 3 who verify through documentation that they reduced commercial nitrogen fertilizer application rate by using a qualifying product established by the MDA in subdivision 1 by either 15% or 30 lbs/acre. Directs MDA to establish a per-acre payment rate of at least \$5/acre. Requires MDA to review and adjust the per-acre payment rate annually based on inflation and new technology.</p> <p><b>Subd. 3. Qualifications.</b> Establishes eligibility for the program as Minnesota residents operating farmland in Minnesota who enroll a minimum of 40 acres in</p> |

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the program. Requires eligible farmers to submit documentation, including a crop nutrient management plan, to the MDA.

**Subd. 4. Review required.** Directs the MDA to review the program’s minimum commercial nitrogen fertilizer reduction rate and the qualifying products.

**Subd. 5. Rulemaking required.** Requires MDA to promulgate rules to implement this program.

3 **Appropriation.**

Appropriates \$1,500,000 in fiscal year 2026 to MDA for the biofertilizer innovation and efficiency program, but keeps this money available until June 30, 2027.



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