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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 1796

03/03/2025 Authored by Nelson, Cha, Frederick, Vang, Anderson, P. H., and others
The bill was read for the first time and referred to the Committee on Agriculture Finance and Policy

1.1 A bill for an act
1.2 relating to agriculture; modifying grant awards for the livestock investment grant
1.3 program; amending Minnesota Statutes 2024, section 17.118, subdivisions 1, 2,
1.4 3.

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

1.6 Section 1. Minnesota Statutes 2024, section 17.118, subdivision 1, is amended to read:

1.7 Subdivision 1. ~~Establishment~~ Administration and grant awards. The commissioner
1.8 may award a livestock investment grant to a person who raises livestock in this state equal
1.9 to ~~ten percent of the first \$500,000 of qualifying expenditures, provided the person makes~~
1.10 qualifying expenditures of at least \$4,000 50 percent of the first \$20,000 of qualifying
1.11 expenditures and 20 percent of the next \$220,000 of qualifying expenditures. The
1.12 commissioner may award multiple livestock investment grants to a person over the life of
1.13 the program and shall give preference to applicants who have not previously received a
1.14 grant under this section.

1.15 Sec. 2. Minnesota Statutes 2024, section 17.118, subdivision 2, is amended to read:

1.16 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
1.17 subdivision have the meanings given them.

1.18 (b) "Livestock" means beef cattle, dairy cattle, swine, poultry, goats, mules, farmed
1.19 Cervidae, Ratitae, bison, sheep, horses, ~~and~~ llamas, rabbits, donkeys, and alpacas.

1.20 (c) "Qualifying expenditures" means the amount spent for:

1.21 (1) the acquisition, construction, or improvement of buildings or facilities for the
1.22 production of livestock or livestock products;

- 2.1 (2) the development of pasture for use by livestock including, but not limited to, the  
2.2 acquisition, development, or improvement of:
- 2.3 (i) lanes used by livestock that connect pastures to a central location;
- 2.4 (ii) watering systems for livestock on pasture including water lines, booster pumps, and  
2.5 well installations;
- 2.6 (iii) livestock stream crossing stabilization; and
- 2.7 (iv) fences; or
- 2.8 (3) the acquisition of equipment for livestock housing, confinement, feeding, and waste  
2.9 management including, but not limited to, the following:
- 2.10 (i) freestall barns;
- 2.11 (ii) watering facilities;
- 2.12 (iii) feed storage and handling equipment;
- 2.13 (iv) milking parlors;
- 2.14 (v) robotic equipment;
- 2.15 (vi) scales;
- 2.16 (vii) milk storage and cooling facilities;
- 2.17 (viii) bulk tanks;
- 2.18 (ix) computer hardware and software and associated equipment used to monitor the  
2.19 productivity and feeding of livestock;
- 2.20 (x) manure pumping and storage facilities;
- 2.21 (xi) swine farrowing facilities;
- 2.22 (xii) swine and cattle finishing barns;
- 2.23 (xiii) calving facilities;
- 2.24 (xiv) digesters;
- 2.25 (xv) equipment used to produce energy;
- 2.26 (xvi) on-farm processing facilities equipment;
- 2.27 (xvii) fences, including but not limited to farmed Cervidae perimeter fences required  
2.28 under section 35.155, subdivision 4; and

3.1 (xviii) livestock pens and corrals and sorting, restraining, and loading chutes.

3.2 Except for qualifying pasture development expenditures under clause (2), qualifying  
3.3 expenditures only include amounts that are allowed to be capitalized and deducted under  
3.4 either section 167 or 179 of the Internal Revenue Code in computing federal taxable income.  
3.5 Qualifying expenditures do not include an amount paid to refinance existing debt.

3.6 Sec. 3. Minnesota Statutes 2024, section 17.118, subdivision 3, is amended to read:

3.7 Subd. 3. **Eligibility.** To be eligible for a livestock investment grant, a person must be a  
3.8 representative of a Minnesota Tribal government as defined in section 10.65, subdivision  
3.9 2, or:

3.10 (1) be a resident of Minnesota or an entity specifically defined in section 500.24,  
3.11 subdivision 2, that is eligible to own farmland and operate a farm in this state under section  
3.12 500.24;

3.13 (2) be the principal operator of the farm;

3.14 (3) hold a feedlot registration, if required; and

3.15 (4) apply to the commissioner on forms prescribed by the commissioner including a  
3.16 statement of the qualifying expenditures made during the qualifying period along with any  
3.17 proof or other documentation the commissioner may require.