

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2683

03/24/2025 Authored by Anderson, P. H.; Burkel; Harder; Jacob and Nelson
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; establishing the biofertilizer innovation and efficiency
1.3 program; requiring rulemaking; appropriating money; amending Minnesota Statutes
1.4 2024, section 18C.005, by adding a subdivision; proposing coding for new law in
1.5 Minnesota Statutes, chapter 18C.

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

1.7 Section 1. Minnesota Statutes 2024, section 18C.005, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 4a. Commercial nitrogen fertilizer. "Commercial nitrogen fertilizer" means a
1.10 fertilizer with a nitrogen content that is not less than 25 percent.

1.11 Sec. 2. [18C.113] BIOFERTILIZER INNOVATION AND EFFICIENCY PROGRAM.

1.12 Subdivision 1. Program established. In consultation with the commissioner of natural
1.13 resources and soil and water conservation districts in Minnesota, the commissioner of
1.14 agriculture must develop and administer a biofertilizer innovation and efficiency program
1.15 to address water quality by incentivizing Minnesota farmers to improve nitrogen management
1.16 and incorporate innovative technologies into the farmers' crop nutrient management plans.
1.17 The commissioner must determine which products qualify for the program, including soil
1.18 amendments, fertilizers with nitrogen-fixing properties, biological sources of nitrogen, and
1.19 other biofertilizers.

1.20 Subd. 2. Payments to qualified farmers. (a) In consultation with farmers and the
1.21 fertilizer industry, the commissioner must establish a per-acre payment rate, not less than
1.22 \$5 per acre, for payments provided to a qualifying farmer. The program must provide an
1.23 annual per-acre incentive payment to a qualifying farmer who verifies through documentation

2.1 that the farmer has reduced commercial nitrogen fertilizer rates by using a qualifying product
2.2 in the farmer's crop nutrient management plans by the lesser of:

2.3 (1) 15 percent; or

2.4 (2) 30 pounds per acre.

2.5 (b) The Department of Agriculture must annually review and may adjust the per-acre
2.6 payment rate based on inflation and emerging fertilizer technology.

2.7 Subd. 3. **Qualifications.** To qualify for the biofertilizer water preservation program, a
2.8 farmer must:

2.9 (1) be a Minnesota resident operating farmland located in Minnesota;

2.10 (2) submit documentation to the commissioner, including a crop nutrient management
2.11 plan that will reduce the use of commercial nitrogen fertilizers at the reduction rate required
2.12 under subdivision 2 by using a qualifying product determined by the commissioner under
2.13 subdivision 1; and

2.14 (3) enroll a minimum of 40 eligible acres.

2.15 Subd. 4. **Review required.** Every two years, the commissioner must review:

2.16 (1) the program's required minimum commercial nitrogen fertilizer reduction rate under
2.17 subdivision 2 and determine whether an increase in the minimum reduction rate is necessary;
2.18 and

2.19 (2) additional qualifying products that may be used by farmers in the program. When
2.20 making this determination, the commissioner must consider newly available technologies
2.21 and products capable of reducing commercial nitrogen fertilizer applications.

2.22 Subd. 5. **Rulemaking required.** The commissioner must adopt rules to implement this
2.23 section.

2.24 Sec. 3. **APPROPRIATION.**

2.25 \$1,500,000 in fiscal year 2026 is appropriated from the general fund to the commissioner
2.26 of agriculture to establish and administer the biofertilizer innovation and efficiency program.
2.27 Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance at the end
2.28 of fiscal year 2026 does not cancel and is available until June 30, 2027.