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March 3, 2025

Chair Paul Anderson
House Agriculture Committee
Centennial Office Building
St. Paul, MN 55155

RE: MFU support for Rural Finance Authority (RFA) Bonding (HF770)

Dear Chair Anderson and members of the committee:

On behalf of Minnesota Farmers Union (MFU), I write to express strong support for authorizing the Minnesota Department of Agriculture's (MDA) to borrow funds to replenish the Rural Finance Authority (RFA). We appreciate your efforts to advance this proposal this session, limiting the potential of a funding lapse, and providing certainty to farm families.

MFU is a grassroots membership organization that has represented Minnesota's family farmers, ranchers, and rural communities since 1918. While our members are diverse in their operations, they are unified in the fact that affordable financing often presents a significant challenge, particularly when families are already faced with uncertainty related to increasing input costs, unpredictable weather, and generational farm transition.

The low-interest loans made available by the RFA help young farmers, farm families rebuilding after natural disasters, and others reinvesting in their operations. Top of mind right now, is uncertainty in both the farm economy and at the federal level, meaning more farmers may lean on this state program for affordable financing. In addition, the RFA Board just acted to make zero interest Disaster Recovery Loans available to farmers who have sustained losses due to zoonotic diseases. Finally, and important to work championed by this committee, the Beginning Farmer Loan is the RFA's most popular program.

We thank Chair Anderson and Lead Hansen for your leadership on a bill. Acting early and ahead of a potentially broader borrowing package will give added certainty to family farmers who rely on these programs. If you have any questions, don't hesitate to contact our Government Relations Director, Stu Lourey, at stu@mfu.org or (320) 232-3047. Thank you for considering the needs and perspectives of Minnesota's farm families.

Sincerely,

A handwritten signature in black ink that reads "Gary Wertish". The signature is fluid and cursive, with the first name being the most prominent.

Gary Wertish
President, Minnesota Farmers Union