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**✓ Corrections to Fix State Buffer Law**  
 MFBF supported the bills in both the Senate and House, testifying before several committees in each body to express support for the clarified language. Under the changes to the buffer law:  
 • 50 foot average perennial vegetated buffers (30 foot minimum) will be required on public waters which are on the public waters inventory list. The deadline for landowners to implement this requirement is November 1, 2017.  
 • 16.5 foot perennial vegetated buffers will be required on public drainage ditches, established under the state's drainage law (103 E). The deadline for landowners to implement this requirement, when the ditch has not had a re-determination of benefits completed is November 1, 2018. Language that state agencies were using to expand the buffer mandate to private drainage ditches, "within the benefited area of public drainage systems" was deleted from the 2015 law.

**• Buffers**  
 The tax bill also included a provision to assist with funding for local water/drainage authorities, counties or watershed districts, aimed at helping them carry out the responsibilities for implementing the buffer law. Without such financial help, there were concerns that local authorities would turn to Board of Water and Soil Resources (BWSR) to carry out the implementation process from the state level.

**• Estate Taxes**  
 MFBF worked to address unintended consequences which surfaced with existing circumstances for farm estates. One example was estates who lost their agricultural property classification without any change in operations, causing a claw-back for additional estate taxes. This correction is retroactive for estates of persons who died after June 30, 2011.

**• Property Taxes**  
 Agricultural property tax relief would have provided a 40 percent property tax credit on the portion of agricultural property taxes going to school debt bonds. The tax credit would have provided \$90.6 million in tax relief for the next biennium. Although pocket vetoed by the Governor, this legislation passed out of the Minnesota House of Representatives and Senate with 86% support demonstrating that your contacts and personal stories made a difference.

**✓ Omnibus Tax Bill – Property Tax Relief and More**  
 Minnesota Farm Bureau strongly supported passage of the Omnibus Tax Bill and worked throughout the session to have the following important provisions included. Unfortunately, despite strong support from both the House and Senate, the bill was pocket vetoed by the Governor at the end of session. Efforts are ongoing to pass the bill during a potential special session.

**• State News**

Through daily representation at the State Capitol, Farm Bureau members have their interests covered even though they aren't personally away from their farms, businesses and families.

During the 2016 Minnesota Legislative Session, Minnesota Farm Bureau Federation (MFBF) worked to share the perspectives of Farm Bureau member families as detailed in member-developed and member-adopted Farm Bureau policy.



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**2016**  
 LEGISLATIVE ACCOMPLISHMENTS  
 laws, safety, tax, buffers, mediation, labeling, policy  
 An American flag is visible in the background of the text.

Thank you to our grassroots leaders and members who actively participated in the success of these accomplishments.



meetings to be held in areas where plans are to increase elk herd numbers. At these meetings, the evidence of limitations of damages must be presented.

• **Check-off Votes**

The bill opens the opportunity for farmers to vote in check-off votes regardless of the type of tax they file for with the Internal Revenue Service (IRS). Prior to this change, the requirement was limited to a Schedule F.

● ● **NATIONAL NEWS** ● ●

• Compensation for buffers along public ditches, through the process of redetermination of benefits, was clarified in order to establish the basis of value to be land use prior to being planted to a buffer or implementation of an alternative practice.

• Language for alternative practices was strengthened to expand on the opportunities for something other than perennial buffers that meet the comparable protection standard for a specific waterway. While alternative practices are still linked to the Natural Resources Conservation Service (NRCS) Field Office Technical Guide or practices approved by the Board of Water and Soil Resources (BWSR), the law provides for practices that include retention ponds or alternative practices which “prevent overland flow to the water resources.”

• The starting point for measuring the 16.5 foot buffer along ditches was changed in the 2015 law to match the language in state drainage law (103E.021). This provision incorporates the ability to begin measurement outward from the edge of the constructed channel.

• A more workable timetable for incorporating “other waters” into local water management plans was provided by the new 2016 language. Local water authorities are granted the ability to work in consultation with local Soil and Water Conservation Districts (SWCDs) as the SWCDs prepare their report of what other watercourses (not covered by the state mandate) are included in the local water management plan. Receipt of this list, on or before July 1, 2017, from the local SWCD does not require an immediate local plan amendment (as long as certain requirements of notification are carried out) until the regularly scheduled update of the water plan.

• Provisions also provide a clearer understanding of authority to strengthen the ability for county or watershed districts to exercise jurisdiction. Questionable status in the 2015 law was viewed as an unwanted liability for local units of government, making it more likely that they would opt out and allow BWSR to take greater control.

✓ **Omnibus Agricultural Policy Bill**

MFBF strongly supported passage of the Omnibus Farm Policy Bill and worked throughout the session to include important provisions. The following were included.

• **Farmer Lender Mediation Program**

Continuation of the Farmer Lender Mediation Program was addressed through the extension of the authorization in the bill. The legislation also deals with interactions involving the Minnesota Department of Agriculture (MDA) and stakeholders on how to improve the program.

• **Farm Safety**

The MDA Commissioner was given responsibility to review farm safety ideas and make recommendations to the legislature on how to improve farm safety efforts in Minnesota. This will be required to come forward in a report to the legislative committees responsible for agricultural policy by February 1, 2017.

Farm Safety was also addressed in the Omnibus Supplemental Budget bill. \$250,000 was directed to the MDA in order to provide cost-share grants to Minnesota farmers to obtain rollover protection equipment for tractors built before 1987. The cost-share is limited to 70 percent of the total costs for obtaining the rollover equipment, with a maximum payment of \$500.

• **Minnesota Organic Advisory Task Force**

The Minnesota Organic Advisory Task Force was extended and further refined to better direct an expanded scope of research and educational institutions.

• **Elk Management**

Elk Management was addressed in the bill through an amendment to prohibit the Department of Natural Resources (DNR) from increasing the size of an elk herd until they and the MDA verify that the fence and crop damages for that elk herd have not increased for at least two years. Additional accountability also requires local public

✓ **GMO Labeling**

A federal GMO labeling bill that was a bipartisan compromise was passed by Congress and signed into law by the President in July 2016. Both of Minnesota’s Senators and 7 of the 8 Representatives voted in favor of the legislation.

Farm Bureau supported the GMO Labeling

legislation that establishes federal

preemption to protect interstate commerce and prevent state-by-state GMO labeling laws.

While the bill establishes mandatory GMO labeling, something that Farm Bureau policy opposes, the legislation provides the key to minimizing damage to agriculture from either a state-by-state patchwork of labeling mandates or labeling that is misleading to consumers and disparaging of agricultural technology.

The bill preempts state labeling mandates such as the Vermont law that went into effect in July and sets a de facto national labeling requirement.

The bill puts U.S. Department of Agriculture (USDA) (as opposed to some other agency with less knowledge of agriculture) in charge of writing the rules for how the labels look and what they say, and it gives USDA two years to complete the rulemaking process.

Meat and dairy products will not be considered GMO products just because the animals were fed GMO feed. Products, such as soup, in which meat is a primary ingredient would be exempt even if there is a small amount of biotech ingredient.

Products that are certified organic by USDA could be labeled as non-GMO.

✓ **Federal Tax Extensions**

The Protecting Americans from Tax Hikes Act of 2015 (PATH Act) was signed into law at the end of 2015. This \$650 billion tax cut package included many of Farm Bureau's tax priorities, including making some provisions permanent rather than addressing these tax issues each year. This bill includes the following provisions that are of interest to Farm Bureau:

• Permanent expansion of Section 179 for deductions up to \$500,000, reduced dollar for dollar after expenses reach \$2 million. Deductions will also be indexed for inflation.

• Bonus depreciation provisions would be extended for five years, which provides an additional percent bonus depreciation for the purchase of new capital assets, including agricultural equipment. This percentage is set at 50 percent for 2015, 2016 and 2017, 40 percent for 2018 and 30 percent for 2019.

This legislation would make the following Farm Bureau supported provisions permanent:

• Fair market test for Unrelated Business Income Tax;

• Provisions encouraging donations of conservation easements;

• Enhanced deduction for donated food; and

• Deduction for state and local sales tax.

A new tax provision that allows for deductions for charitable contributions to agricultural research organizations was also included and would be made permanent.



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