

# Financial Assistance Programs



## Additional Grants, Rebate, Compensation and Advocate Programs

**Agricultural Chemical Response & Reimbursement Account**  
Reimburses costs incurred while cleaning up agricultural chemical (pesticide and fertilizer) incidents.

**Bee Kill Compensation Program**  
Allows for compensation to beekeepers when an MDA investigation determines “acute pesticide poisoning” as the cause of hive death.

**Beginning Farmer Tax Credit**  
[www.mda.state.mn.us/bftc](http://www.mda.state.mn.us/bftc)  
The Minnesota Beginning Farmer Tax Credit provides tax credits for the rent or sale of farm land or a variety of farm assets to beginning farmers. This includes incentives for the sale of farm land.

**Compensation for Crops Damaged by Elk**  
Reimburses farmers and ranchers for crop damage caused by elk in parts of Minnesota.

**Dairy Business Planning Grant**  
Cover 50 percent of the cost to hire a qualified, independent third party to create a business plan for a dairy operation.

**Dairy Profitability & Enhancement Teams**  
Through a partnership with the Minnesota Dairy Initiative, offers teams of professionals to help producers increase farm profitability and make plans for farm transitions.

**Down Payment Assistance Grant Program**  
\$15,000 for farmers earning less than \$250,000 annually in agricultural sales to purchase their first farm. Annual funding cycles begin in July. Grants cannot be applied retroactively to sales that have already taken place.

**Farm Advocate Program**  
Our Farm Advocate Program provides farmers, small business operators and other residents with one-on-one assistance in accessing federal aid and other resources available to them in a time of crisis.

**Grain Storage Facility Safety Cost-Share**  
Reimburses 75% of the purchase and installation of eligible safety equipment up to \$400 per bin or silo (\$2,400 per farm) per year.

**Minnesota Agricultural Water Quality Certification Program (MAWQCP) Financial Assistance Grant**  
Grants of up to \$5,000 for producers seeking certification under the MAWQCP.

**Minnesota ROPS Rebate Program**  
Provides a 70% rebate for installing tractor rollover protective structures (ROPS) with a maximum out-of-pocket cost of \$500. Call 877-ROPS-R4U (877-767-7748).

**Specialty Crop Grants**  
Grants help specialty crop growers increase the competitiveness of fruits and vegetables, tree nuts, dried fruits, horticulture and nursery crops, including floriculture.

**Soil Health Financial Assistance Pilot Program Grants**  
The Soil Health Financial Assistance Grant provides cost-share for producers or local government units for the purchase of new, used, or retrofitting of equipment for adopting soil health practices.

**Wolf Depredation Compensation**  
Reimburses livestock owners for losses caused by wolves and offers tips to prevent wolf depredation.

**Wolf-Livestock Conflict Prevention Grants**  
Grants to cover costs of approved practices to prevent wolf-livestock conflicts

**For more information about these programs, contact:**  
**Minnesota Department of Agriculture**  
625 Robert Street North  
St. Paul, MN 55155  
Office: 651-201-6000

All financial assistance programs are subject to changes and applicant eligibility. Please visit the MDA's Grants, Loans, & Financing webpage for more information at [www.mda.state.mn.us/funding?field\\_category\\_target\\_id=5](http://www.mda.state.mn.us/funding?field_category_target_id=5).

## Agricultural Growth, Research and Innovation (AGRI) Program

**Crop Research Grants**  
Grants fund 100% of the costs associated with applied research to improve agricultural product quality, quantity and/or value.  
*Application time frame: September – November*

**Farm to School**  
First Bite Grants fund 100% and Full Tray Grants fund up to 50% of cost to increase the purchase and use of Minnesota agricultural products in food service programs. Additional equipment grants cover 50% of the cost of equipment purchases used to increase F2S efforts.  
*Application time frame: August – December*

**Good Agricultural Practices/Good Handling Practices (GAP/GHP) Cost-Share Program**  
Provides 75% reimbursement of costs associated with GAP/GHP certification.  
*Application time frame: Year-Round*

**Good Food Access Program (GAP) Equipment/Physical Improvement Grants**  
Grants reimburse 100% of costs for retailers to buy equipment/make physical improvements to increase the availability of and access to affordable, nutritious and culturally appropriate food in eligible areas.  
*Application time frame: October – January*

**Good Food Access Program (GAP) Technical Assistance Grants**  
Grants provide up to 75% of costs of providing needs-based technical assistance to food retailers in eligible areas.  
*Application time frame: October – January*

**Livestock Investment Grants**  
Grants provide a 10% reimbursement for the purchase, construction, or improvement of buildings or facilities for livestock production.  
*Application time frame: August – November*

**Meat, Poultry, Egg, and Milk Processing Grants**  
Approximately 25% reimbursement available for meat, poultry, egg, and milk processors' cost of equipment or physical improvements that support processing and capacity, and will increase sales of Minnesota agricultural products.  
*Application time frame: August – October*

**New Markets Program**  
Supporting the growth of Minnesota food and beverage companies, the New Markets Program matches those entities' investments in high-impact marketing activities such as e-commerce, digital marketing, e-mail marketing, B2B trade shows, data acquisition, marketing consulting, and store demos..  
*Application time frame: Year-Round*

**Sustainable Agriculture Demonstration Grants**  
Grants are available to cover 100% of on-farm research and demonstrations exploring sustainable agricultural practices.  
*Application time frame: August – December*

**Urban Agriculture Grants**  
Grant funds cover 100% of equipment or physical improvement purchases and/or labor for urban youth agricultural education and urban agriculture community development projects.  
*Application time frame: October – January*

**Value-Added Equipment Grants**  
Grants provide 25% of the cost of equipment or physical improvements that will add value to/increase sales of Minnesota agricultural products.  
*Application time frame: January – February*

The AGRI Program awards grants and other forms of financial assistance to create agricultural jobs and support profitable businesses. For a complete list of AGRI Grants, visit [www.mda.state.mn.us/grants/agri](http://www.mda.state.mn.us/grants/agri) or call or call the MDA Grants Hotline at 651-201-6500.

**Beginning Farmer Business Management (FBM) Scholarship**  
Scholarships pay 50% of tuition costs of FBM education for beginning farmers. Funds support 8-10 credits per academic year, with a maximum of 40 cumulative FBM credits per student.  
*Application time frame: Year-Round*

**Biofuels Infrastructure Grants**  
Awarded on competitive basis, grants provide up to 65% reimbursement (\$199,000 maximum) to retail service stations meeting eligibility criteria for replacing or upgrading equipment for dispensing E15 and higher blends.  
*Application time frame: Summer/Fall*

**Bio-Incentive Program**  
Provides production payments to encourage commercial-scale production of advanced biofuels, renewable chemicals, and thermal energy production from biomass. Payments available for chemicals containing at least 51% bio-based content, and biomass thermal energy; or for fuels that meet the greenhouse gas benefit requirements of the EPA's Renewable Fuels Standard.  
*Application time frame: Year-Round*

**County Fair Grants**  
All Minnesota county fairs receive funds to preserve and promote Minnesota agriculture.  
*Application time frame: August – February*

In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711. The MDA is an equal opportunity employer and provider. File Name: Financial Assistance Programs Brochure.indd 2.21..24

# Low Interest Loans

Contacts ▶ RFA: 651-201-6004 [www.mda.state.mn.us/agfinance](http://www.mda.state.mn.us/agfinance) ▶ AgBMP: 651-201-6618 [www.mda.state.mn.us/agbmploan](http://www.mda.state.mn.us/agbmploan)

Program	Funding Limits	Use of Proceeds	Terms and Maturity	Fees	Qualifications
<b>AgBMP Loans</b> <a href="http://www.mda.state.mn.us/grants/loans/agbmploan">www.mda.state.mn.us/grants/loans/agbmploan</a>	<ul style="list-style-type: none"> <li>\$200,000 maximum loan</li> <li>May have multiple loans</li> <li>Total of all outstanding loans cannot exceed \$200,000</li> </ul>	Any project or practice that helps water quality such as conservation tillage equipment, feedlot improvements, manure management equipment, well improvements, and any septic system, as well as many other practices that can be reviewed by your local government	<ul style="list-style-type: none"> <li>Maximum loan length of 10 years</li> <li>Maximum interest rate of 3%</li> <li>Lender may require collateral</li> <li>Borrower must meet lender's lending criteria</li> </ul>	Lender may charge customary fees AgBMP: no fee	<ul style="list-style-type: none"> <li>Project must protect or improve water quality</li> <li>Farmer, Rural Landowner, or Farm Supply Business may apply</li> <li>Contact your local government to review and approve projects. Local contacts can be found at <a href="http://www.mda.state.mn.us/agbmploan">www.mda.state.mn.us/agbmploan</a></li> </ul>
<b>RFA Beginning Farmer Loan Program</b> <a href="http://www.mda.state.mn.us/business-dev-loans-grants/beginning-farmer-loan-program">www.mda.state.mn.us/business-dev-loans-grants/beginning-farmer-loan-program</a>	<ul style="list-style-type: none"> <li>RFA participation: 45% of first mortgage with a maximum of \$500,000</li> </ul>	Purchase of farm real estate	<ul style="list-style-type: none"> <li>RFA portion - 5.5% interest rate</li> <li>Lender and seller portion - negotiate</li> <li>Pay at least 10% down of appraisal value</li> <li>15-30 year terms</li> <li>RFA participation will balloon after 10 years</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Applicant must farm unit and be or intend to become a full-time farmer</li> <li>Net worth of less than \$1,013,000 (including spouse and dependents)</li> <li>Sufficient education or experience to succeed in intended farming practice</li> <li>Agree to enroll in farm business management program and consult with your local Soil and Water Conservation District office</li> <li>Agree to obtain credit life insurance to cover the purchase the property</li> </ul>
<b>RFA Seller-Assisted Loan Programs</b> <a href="http://www.mda.state.mn.us/seller-assisted-loan-participation-program">www.mda.state.mn.us/seller-assisted-loan-participation-program</a>					
<b>RFA Agricultural Improvement Program</b> <a href="http://www.mda.state.mn.us/agricultural-improvement-loan-program">www.mda.state.mn.us/agricultural-improvement-loan-program</a>	<ul style="list-style-type: none"> <li>RFA participation: 45% of first mortgage with a max. of \$500,000</li> </ul>	Finance capital improvements to farming operation. Can be used to improve land and/or structures, efficiency, productivity, or increase farm income. Also includes wind energy conversion up to one megawatt (limited refinancing)	<ul style="list-style-type: none"> <li>RFA portion - 5.5% interest rate</li> <li>Lender portion - negotiate</li> <li>1-15 year terms</li> <li>RFA participation will balloon after 10 years</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Applicant must farm unit and be or intend to become a full-time farmer</li> <li>Net worth of less than \$1,013,000 (including spouse and dependents)</li> <li>Have sufficient education or experience to succeed in intended farming practice</li> <li>Consult with your local Soil and Water Conservation District office</li> </ul>
<b>RFA Livestock Expansion Program</b> <a href="http://www.mda.state.mn.us/livestock-expansion-loan-program">www.mda.state.mn.us/livestock-expansion-loan-program</a>	<ul style="list-style-type: none"> <li>RFA participation: 45% of first mortgage with a max. of \$625,000</li> </ul>	Finance improvements to livestock facilities (purchase of livestock not allowed) (no refinancing)	<ul style="list-style-type: none"> <li>RFA portion - 5.75% interest rate</li> <li>Lender portion - negotiate</li> <li>1-15 year terms</li> <li>RFA participation will balloon after 10 years</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Must farm unit full-time; at least one of the applicants must be the principal operator and actively engaged in a livestock operation</li> <li>Net worth of less than \$2,150,000 (including spouse and dependents)</li> <li>Show financial need and ability to repay loan</li> </ul>
<b>RFA Restructure II Program</b> <a href="http://www.mda.state.mn.us/restructure-ii-loan-program">www.mda.state.mn.us/restructure-ii-loan-program</a>	<ul style="list-style-type: none"> <li>RFA participation: 45% of first mortgage with a max. of \$625,000</li> </ul>	Restructure of agricultural debt for farmers in good credit standing experiencing trouble meeting cash flow due to adverse events	<ul style="list-style-type: none"> <li>RFA portion - 5.75% interest rate</li> <li>Lender portion - negotiate</li> <li>1-30 year terms</li> <li>RFA participation will balloon after 10 years</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Net worth of less than \$2,150,000 (including spouse and dependents)</li> <li>Have received 50% of gross income from farming in past three years</li> <li>Have operating expenses that do not exceed 95% of income</li> <li>Consult with your local Soil and Water Conservation District office</li> </ul>
<b>RFA Livestock Equipment Loan Program</b> <a href="http://www.mda.state.mn.us/livestock-equipment-loan-program">www.mda.state.mn.us/livestock-equipment-loan-program</a>	<ul style="list-style-type: none"> <li>RFA participation: 45% of equipment loan with a max. of \$100,000</li> </ul>	Finance the purchase of livestock equipment for housing, confinement, feeding, watering, fencing, milk production and waste management (no refinancing)	<ul style="list-style-type: none"> <li>RFA portion - 2% fixed interest rate</li> <li>Lender portion - negotiate</li> <li>1-10 year terms</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Must farm unit full-time; at least one of the applicants must be the principal operator and actively engaged in a livestock operation</li> <li>Net worth of less than \$575,529 (including spouse and dependents)</li> <li>Show financial need and ability to repay loan</li> </ul>
<b>RFA Disaster Recovery Loan Program</b> <a href="http://www.mda.state.mn.us/disasterloan">www.mda.state.mn.us/disasterloan</a>	<ul style="list-style-type: none"> <li>RFA participation: 45% of loan with a max. of \$200,000</li> </ul>	Finance, repair or replacement of structures and resources not covered by insurance after natural disaster. Replace flocks, make building improvements, or cover loss of revenue due to avian influenza	<ul style="list-style-type: none"> <li>0% or less fixed interest rate</li> <li>1-10 year terms</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Certify that the damage or loss was sustained within a county that was subject of a state or federal disaster declaration, or due to avian influenza</li> <li>Have received 50% of average gross annual income from farming in past three years</li> </ul>
<b>RFA Value-Added Stock Loan Program</b> <a href="http://www.mda.state.mn.us/value-added-stock-loan-program">www.mda.state.mn.us/value-added-stock-loan-program</a>	<ul style="list-style-type: none"> <li>RFA participation: 45% of loan with a maximum of \$40,000</li> <li>No more than 95% of purchased stock value will be loaned</li> </ul>	Finance the purchase of stock shares in commodity processing business	<ul style="list-style-type: none"> <li>2% fixed interest rate</li> <li>1-8 year terms</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Producer must grow the ag product which is to be processed by an agricultural product processing facility</li> <li>Have a total net worth of less than \$575,529 (indexed for inflation), including the assets and liabilities of spouse and dependents</li> </ul>
<b>Methane Digester Loan Program</b> <a href="http://www.mda.state.mn.us/methane-digester-loan-program">www.mda.state.mn.us/methane-digester-loan-program</a>	<ul style="list-style-type: none"> <li>\$250,000</li> </ul>	Finance the purchase and construction of a system designed to produce electricity from manure May be used as match for Federal loan/grant	<ul style="list-style-type: none"> <li>0% interest rate</li> <li>1-10 year terms</li> </ul>	\$100 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Provide evidence that the practices implemented and capital assets purchased will be properly managed and maintained</li> <li>Have not previously received a loan under this program</li> </ul>
<b>Farm Opportunity Loan Program</b> <a href="http://www.mda.state.mn.us/business-dev-loans-grants/farm-opportunity-loan-program">www.mda.state.mn.us/business-dev-loans-grants/farm-opportunity-loan-program</a>	<ul style="list-style-type: none"> <li>45% of the principal amount up to \$100,000 per individual;</li> <li>45% of the principal amount up to \$250,000 per group</li> </ul>	Finance machinery or equipment to add value to crops or livestock; adopt best management practices; reduce or improve management of ag inputs resulting in environmental improvements; or increase production of on-farm energy (no refinancing)	<ul style="list-style-type: none"> <li>5% fixed interest rate for 10 years</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Must farm unit and farm full-time</li> <li>Show financial need and ability to repay loan</li> </ul>
<b>Pilot Agriculture Microloan Loan Program</b> <a href="http://www.mda.state.mn.us/pilot-agricultural-microloan-program">www.mda.state.mn.us/pilot-agricultural-microloan-program</a>	<ul style="list-style-type: none"> <li>Max Loan of \$20,000 or 70% of the Farms Marketable product value whichever is less.</li> <li>Up to a max of a 6 year term</li> </ul>	Assist non-traditional farmers by providing lending capital while developing their farm business towards traditional agricultural credit. Farmers can borrow for working capital	<ul style="list-style-type: none"> <li>up to a max of 10% interest</li> <li>1-6 year terms</li> </ul>	RFA: \$50 application fee (non-refundable)	<ul style="list-style-type: none"> <li>Resident of the State of Minnesota, utilizing funds towards the production and marketing of specialty crops, with ability to repay the loan and</li> <li>a member under Minn. Stat. § 43A.02, subdiv. 33 or under Minn. Stat. § 256B.06, subdiv. 4, par. (b)</li> </ul>
<b>RFA Beginning Farmer/Aggie Bond</b> <a href="http://www.mda.state.mn.us/business-dev-loans-grants/aggie-bond-beginning-farmer-loan-program">www.mda.state.mn.us/business-dev-loans-grants/aggie-bond-beginning-farmer-loan-program</a>	<ul style="list-style-type: none"> <li>\$616,000 max loan</li> <li>\$250,000 for new depreciable property</li> <li>\$62,500 max for used depreciable asset</li> </ul>	Purchase of farmland, buildings, new or used depreciable ag property such as breeding livestock, dairy livestock, and machinery	<ul style="list-style-type: none"> <li>Reduced interest rate for buyer and tax benefit for lender</li> </ul>	RFA: \$50 application fee (non-refundable)  1.50% origination fee	<ul style="list-style-type: none"> <li>Net worth less than \$1,013,000</li> <li>Never have owned more than 30% of county median sized farm</li> <li>Agree to enroll in farm business management program and consult with local Soil and Water Conservation District</li> </ul>
<b>Meat and Poultry Intermediary Lending Program</b> <a href="http://www.mda.state.mn.us/meat-poultry-intermediary-lending-program-mpilp">www.mda.state.mn.us/meat-poultry-intermediary-lending-program-mpilp</a>	<ul style="list-style-type: none"> <li>Direct Min Loan \$50,000; Direct Max Loan \$7,000,000,</li> </ul>	Funds can be used to purchase land or equipment, cover start-up costs, and make other business investments	<ul style="list-style-type: none"> <li>Max loan length of 10 years, amortization up to 25 yrs, Interest rate: 3%, Collateral required at 75%LTV, Borrower must meet underwriting criteria</li> </ul>	\$500 non-refundable application fee, 1% origination and all third party fees	<ul style="list-style-type: none"> <li>Must be physically located in MN, Must self-certify that does not own top-four market in beef, pork, chicken or turkey processing and request would not propel them into a top-four position. USDA-RD must approve.</li> </ul>