

Farmer-Lender Mediation Task Force Moves Forward; History is Close to Being Made!

It's been 30 years since the creation of the Farmer-Lender Mediation Program and for the first time in the history of the mandate, an amendment of significance is very close to becoming law.

On Monday, May 16, Rep. Paul Anderson, R-Starbuck, substituted language contained in the House Omnibus Agriculture Policy Bill, for language contained in the Senate's version. House members then passed the bill 127-0.

The result is that the final version of the House Omnibus Ag Policy Bill contains language which creates a 12-member task force to review the Farmer-Lender Mediation Program and make recommendations to members of the 2017 Minnesota State Legislature. ICBM is listed as one of the task force members.

Because the Senate refused to concur with the House amendments, the Senate and House bills now go to a conference committee so that the differences between the two bills can be resolved.

Although the House and Senate versions are different, the lopsided votes would indicate these two bills are not very controversial. Just as House members passed their bill overwhelmingly (127 -0), the Senate passed their bill 61-0. That significantly reduces the chance that the bills will die off in a conference committee.

Support for the task force appears sufficient for it to make it into the conference committee report. It is the "House's position" and those conferees should support it.

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On the Senate side, the author of the Senate's bill, Sen. Dan Sparks, DFL-Austin, supports creating a Farmer-Lender Task Force, as does Sen. Gary Dahms, R-Redwood Falls, the Republican lead on the Senate Agriculture Committee.

In light of the lopsided votes, 127-0 and 61-0, one would hope the differences between the two bills can be resolved very quickly. Once out of the conference committee, the bill must be re-passed by both the House and Senate before it can be sent to the Governor for his signature. Then the House and Senate can pass the conference committee report and send it to the Governor for his signature as well.

ICBM discussed the task force approach with Anderson prior to the start of the 2016 session. We talked about how attempts in the past to raise the trigger always failed after farm groups came out in opposition. After that happened, lawmakers siding with farmers would voice opposition to any increase in the trigger. ICBM has always advocated a trigger increase in the \$75,000 - \$100,000 range.

However, making a strong, logical, fact-based argument has been the challenge. This is exactly what happened in 2015. Anderson was bold enough to author a bill raising the trigger amount from \$5,000 to \$75,000. Anderson is the Chair of the House Ag Policy Committee. When his bill to increase the trigger was heard in the committee he chairs, he laid the bill on the table after the opposition came out. That was as far as the bill went.

The higher you attempt to raise the trigger, the harder it is to make a strong argument for it.

Meanwhile, when constituents learn their legislator supports raising the trigger (even though these proposals have all failed in the past) some farmers have come down pretty hard on their lawmaker for supporting a trigger increase. It becomes increasingly difficult to get lawmakers to support a trigger increase after that happens.

A task force would pave the way for a thorough review of the entire program, not just the trigger amount. For example, it would allow a review of case law that led lawmakers to sunset the program, rather than make it permanent.

After a thorough review, if the task force recommends changes, such as an increase in the \$5,000 trigger, it provides lawmakers supporting that change with some political cover by saying they're going along

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with task force's recommendations.

If this proposal becomes law, it will be a huge victory and the most substantial amendment impacting the program since it was created in 1986.

Legislative questions? Contact David Skilbred, ICBM Vice President of Government Relations, at dskilbred@icbm.org or 651-789-3983.

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