



**MAAO Agricultural Committee Report  
2013 Fall Conference  
Rochester, MN  
September 22<sup>nd</sup> – September 25<sup>th</sup>, 2013**

**Committee Name:**

MAAO Agricultural Committee

**Committee Chair:**

Jeanne Henderson

**Committee Members:**

Region 1 – Ron Vikre, Fillmore County  
Region 2 – Sue Schulz, McLeod County  
Region 3 – Mark Koehn, Stearns County  
Region 4 - Mike Dangers, Aitkin County  
Region 5 - Joyce Schmidt, Pipestone County  
Region 6 – Doug Bruns, Renville County  
Region 7 – Steve Carlson, Becker County  
Region 8 – Al Heim, Roseau County  
Region 9 - Keith Kern, Carver County  
DOR Representative – Tom Reineke

**2012/2013 Committee Goals (Past Year):**

Our committee goals include the development and outline for the Crop Productivity Index (CPI) Summer Seminar course. This course will explain CPI's and how they have replaced the Crop Equivalency Ratings (CER) in valuing agricultural land throughout the state. The Ag Committee continues to research and provide cost updates to the Grain Elevator Cost Schedule. The Ag Committee will be working closely with the Department of Revenue (DOR) regarding the exempt status of fertilizer containment facilities and also fermentation tanks that are used in the ethanol process and to help guide assessors in implementing these changes. The Ag Committee will also be working with both the DOR and MAAO Regions in outlining the proper procedures for notifying property owners how to enroll their qualifying 2b acres, currently enrolled in the Green Acres program, into the Rural Preserve Property Tax Program prior to May 1<sup>st</sup>. Committee members will also be working closely with their region members on such topics as conservation easement valuation, large increases in agricultural values, custom farming practices and improvements to agricultural land such as tiling and irrigation.

### **Work Accomplished**

The Agricultural Committee successfully produced a widely attended MAAO Summer Seminar course which dealt with the new Crop Productivity Index (CPI). This index is now the standard used in determining the quality and value of agricultural land and has replaced the old Crop Equivalency Ratings (CER) rating which is no longer supported. Working closely with the Department of Revenue, the Ag Committee helped to draft some general guidelines and procedures for county assessors in dealing with the 2b non-productive lands that were grandfathered into Green Acres but needed to be re-enrolled into the Rural Preserve program or be subjected to a payback penalty. Throughout the legislative session, the Ag Committee worked with the MAAO Legislative Committee on newly introduced legislation concerning the valuation of conservation easements and the usage of special Ag homesteads. The Ag Committee also worked closely with the Department of Revenue and the affected counties that have fertilizer containment facilities and or Ethanol plants in determining what portion of these facilities are considered exempt. The Ag Committee prepared a formal request to obtain Common Land Unit (CLU) information and Conservation Reserve Program (CRP) contract information from the Farm Service Agency.

### **2013/2014 Committee Goals (Future Year):**

The Agricultural Committee goals for next year include: continue to work closely with our regions throughout the state to address agricultural issues as they arise, to work closely with the Department of Revenue and the Legislative Committee concerning the exempt status of certain components of fertilizer containment and ethanol facilities and the special ag homestead, and finally to continue helping and supporting counties that will be converting from their old Crop Equivalency Rating (CER) ag land valuation method to the new Crop Productivity Index (CPI) method.