

# **Beginning Farmer and Rancher Fly-In**

*Sponsored by the Land Stewardship Project, California FarmLink, Center for Rural Affairs  
and Sustainable Agriculture Coalition*

**January 27-29, 2008**

## **Supporting the next generation of family farmers and ranchers**

There is a critical need to enact public policies to support beginning farmers and ranchers. We recognize for our rural communities to prosper, our food and agriculture system to remain robust, and for better care of the land, we need people engaged in agriculture.

At this time there are unprecedented opportunities in farming and ranching such as the growth in organic, local, and alternative food systems; relatively stable and good commodity prices; and the emergence of new energy cropping systems, to name a few. Because of this, there is real opportunity for beginning farmers and ranchers. We see this in our communities – new farmers getting started as well as real and sustained interest in community-led beginning farmer rancher training and assistance efforts.

Yet public policy has lagged behind in providing support for beginning farmers and ranchers. Many individuals interested in farming or ranching face barriers such as high land prices; difficulty accessing credit and federal programs; a lack of beginning farmer and rancher training, education, and mentoring efforts; and inadequate healthcare. In evaluating current agriculture trends maybe we should be even more concerned for example in 1978, there were 350,000 farmers 34 years of age and younger. In 2002, the Census of Agriculture reports that number fell to fewer than 70,000.

This next farm bill needs to be viewed as an investment in the future of agriculture. What greater an investment can be made than the beginning farmers and ranchers of our nation? With the opportunities that exist in agriculture today, this farm bill can be a springboard that provides smart cost effective start-up support for the next generation of farmers and ranchers.

### **Moving Forward:**

Agriculture is changing and so should how we think about beginning farmers and ranchers. New farmers and ranchers are much more diverse than in previous generations. In addition to next-generation farmers from multi-generation farm and ranch families, this new generation includes former farm workers, new immigrant and refugee farmers, and people from non-farming backgrounds such as mid-life career-changers and college graduates who have chosen farming as their first career. They include more women than ever before as well as families with Hispanic, Somali, Hmong and Eastern European backgrounds.

In May 2007 Senator Tom Harkin (D-IA) and Congresswoman Stephanie Herseth-Sandlin (D-SD) introduced the Beginning Farmer and Rancher Opportunity Act of 2007. The Act also included Senate co-sponsors Charles Grassley (R-IA), Max Baucus (D-MT), Sherrod Brown (D-OH), Ben Nelson (D-NE), Russ Feingold (D-WI), Barbara Boxer (D-CA), Claire McCaskill (D-MO), Amy Klobuchar (D-MN), Debbie Stabenow (D-MI) and Hillary Rodham Clinton (D-NY) as well House co-sponsors Congressman Tim Walz (D-MN) and Congresswoman Betty McCollum (D-MN). While several components of the Act were included in the House Farm Bill passed in July 2007 and the Senate Farm Bill passed in December 2007, more is needed to secure and strengthen beginning farmer and rancher provisions in the final farm bill.

The time to act is now; investing in the tools and resources that will help and encourage the next generation of family farmers will provide great dividends to our rural communities, food and agriculture system and the land. Enclosed in this packet are practical proposals to help the next generation of family farmers enter and succeed in farming and ranching.

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## WHO WE ARE:

This packet and fly-in is being led by beginning farmers and ranchers from across the country with the assistance of staff from sponsor organizations. The policies and priorities outlined in this packet reflect the real life experiences of our leaders and organizations. We appreciate your time and attention to these important issues facing beginning farmers and ranchers.

David Silveira – beginning farmer from Atwater, CA

Jesus Escobar – beginning farmer from Burbank with New Berry Springs farm, CA

Steve Schwartz – staff, California FarmLink, CA

Daniel Rosmann – beginning farmer from Harlan, IA

Chad Kingstrom – beginning farmer and LSP member from Sacred Heart, MN

Adam Warthesen – staff, Land Stewardship Project, MN

Jacob Cowgill – beginning farmer and researcher from Big Sandy, MT

Andrew Branan – staff, North Carolina Farm Transition Network, Hillsborough, NC

Brittany Whitmire – beginning farmer from NC

Joy Faul – beginning farmer and Foundation for Agricultural and Rural Resources Management and Sustainability, Farm Beginnings 101 participant from Tappen, ND

Traci Bruckner – staff, Center for Rural Affairs, NE

John Leonard – farmer from El Reno, OK

Amanda Bankert – farmer from Airville, PA

Ariane Lotti – Sustainable Agriculture Coalition

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## **Farm Bill Conference Committee Priorities**

### **Supporting the next generation of family farmers and ranchers**

1. **Dedicate \$15 million per year in mandatory funding for the Beginning Farmer and Rancher Development Program (BFRDP).** The BFRDP is a competitive grants program that supports community-based organizations in partnership with collaborative local, state, and regionally-based networks to provide beginning farmer and rancher training, mentoring and education that helps the next generation take advantage of the opportunities in agriculture and overcome barriers to enter farming and ranching.
  - House Status: Reauthorized and dedicated \$15 million per year in mandatory funding.
  - Senate Status: Reauthorized, but with only an authorization for appropriations up to \$30 million per year.
  
2. **Establish and provide \$5 million per year in mandatory funding for the Beginning Farm and Rancher Individual Development Accounts Pilot Program.** The Beginning Farmer and Rancher Individual Development Accounts Pilot Program supports financial training and matched savings accounts to assist those of modest means to establish a pattern of savings and build equity in a new farming operation. Asset-building strategies have proven to be successful public policy, and it is time for agriculture to share in this success.
  - Senate Status: Included in the Senate Farm Bill and authorized for appropriations of up to \$10 million per year, but no mandatory funding.
  - House Status: No authorization and no funding
  
3. **Provide a conservation funding set aside for beginning farmers and ranchers and socially disadvantaged producers.** This provision would reserve 10% of conservation program funds to be set aside for the first 4 months of a year to be accessed by beginning farmers and ranchers and socially disadvantaged producers. After the 4 month period remaining funds would be plowed back in to the conservation programs for all producers. Investing in conservation up front with beginning farmers and socially disadvantaged producers can produce long-term conservation benefits since farms that put in conservation practices typically maintain them throughout the life of the farm.
  - Senate Status: While the conservation funding set aside was included, a provision was added that requires applicants to have \$15,000 in farm sales to be eligible. This requirement would exclude many beginning farmers, ranchers and socially disadvantaged producers and needs to be removed.
  - House Status: Includes the conservation set-aside without the \$15,000 in farm sales requirement.

## BEGINNING FARMER AND RANCHER INITIATIVE

### *Background:*

New farmers and ranchers are much more diverse than previous generations. In addition to next-generation farmers from multi-generation farm and ranch families, this new generation includes former farm workers, people from non-farming backgrounds such as mid-life career-changers, and college graduates who have chosen farming as their first career. They include more women than ever before as well as families with Hispanic, Somali, Hmong, and Eastern European backgrounds.

This diverse new generation of farmers and ranchers has very different challenges and needs than previous generations. Adequate access to training, technical assistance, land, credit and markets are critical to their success, however current farm policy is clearly deficient in these areas. The future health and vitality of agriculture, the food system, and rural communities will depend on public policies that encourage this new generation to work in agriculture and manage land sustainably.

### *Specific Policy Recommendations:*

Since 1990, Congress has begun to incorporate provisions into the farm bill that are specific to beginning farmers and ranchers, especially in the area of farm credit. These nascent efforts should be expanded in the 2008 Farm Bill. The new farm bill should include a beginning farmer initiative that provides significant and concrete to help in creating new farming opportunities for small and mid-scale family farmers, including:

- The **Beginning Farmer and Rancher Development Program** should be reauthorized and granted at least the \$15 million a year in farm bill funding provided in the House version of the bill. The BFRDP is a competitive grants program supporting education, extension, and technical assistance initiatives directed at new farming opportunities. The BFRDP supports collaborative local, state, and regionally-based networks and partnerships to supply financial and entrepreneurial training, mentoring and apprenticeship programs, “land link” programs, and education and outreach activities to assist beginning farmers and ranchers, including targeted funds for socially disadvantaged producers.
- A **Beginning Farmer and Rancher Individual Development Account (IDA)** pilot program should be made available in at least 15 states with at least \$5 million in annual mandatory funding. An IDA program uses financial training and matched savings accounts to assist those of modest means to establish a pattern of savings. In the case of beginning farmers, the account proceeds may be used toward capital expenditures for a farm or ranch operation, including expenses associated with purchases of land, buildings, equipment, or livestock, or toward acquisition of training.
- The **Beginning Farmer and Rancher Down Payment Loan Program** combines the resources of the Farm Service Agency, the beginning farmer, and a commercial lender or private seller, allowing limited federal dollars to be spread to more beginning farmers and ranchers. The 2008 Farm Bill should include the House bill’s provision that reduces the interest rate to 1%. The final farm bill should also reflect both the House and Senate version’s other improvements to the program, including reduced loan rates and down payment requirements, deferred first year payments, and an increase in the existing \$250,000 maximum allowable farm sales price to \$500,000 on the maximum allowable portion of farm sales price eligible for the down payment loan to better reflect current market realities.

- The **Beginning Farmer Land Contract Pilot Program** adopted in 2002 promotes private land contract sales as a way for retiring farmers to transfer land to new farmers. The 2008 Farm Bill should include the House and Senate provisions that make the pilot program a permanent nation-wide program option. In addition, the final farm bill should include the House language that extends the current 2-year limit on payment guarantee, and include a new option for a standard 90% guarantee of the outstanding principle.
- The 2008 Farm Bill should adopt the Senate provision that includes **New Farmer Research** funding as part of rural and agricultural entrepreneurship priority within IFAFS.
- The 2008 Farm Bill should include a **Risk Management Education Emphasis**, as included in both the House and Senate bills that emphasizes making grants for risk management for beginning and socially disadvantaged farmers and ranchers.
- **Conservation and Stewardship Incentives for New Farmers and Ranchers** can help new farmers get a good start in agriculture, while getting more ‘bang for the buck’ out of conservation programs by creating a whole generation of conservation excellence. The 2008 Farm Bill should:
  - Retain but strengthen conservation loan authorization by adding a priority for beginning and socially disadvantaged farmers and ranchers and adding a priority for loans to help convert to sustainable or organic production systems, as included in the Senate bill.
  - Include the 15% bonus up to 90% cost share for beginning farmers and ranchers and socially disadvantaged producers, as written in the Senate version of the bill.
  - Reserve a 5% set-aside each for beginning and socially disadvantaged farmers and ranchers in all farm bill conservation programs for the first portion of the program year.
  - Offer special incentives for existing owners of CRP land returning to production to rent or sell to beginning or socially disadvantaged farmers and ranchers using sustainable grazing practices or fully compliant conservation cropping systems, as included in the House bill.
- Authorize \$15 million in annual mandatory funding for the **Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers**, the funding level authorized in the House bill.
- Rename the USDA Small and Beginning Farmer Office and Interagency Council the **Office of Small Farms and Beginning Farmers and Ranchers**, and give the office new duties that reflect recent GAO recommendations for better data collection, coordination, and goal setting, as included in the Senate bill.

October 23, 2007

Dear Members of the Senate Agriculture Committee:

There are good opportunities in farming today – growth in organics, local and regional markets, grassfed and sustainably-raised livestock, and in energy crops, to name a few. It's hard work, but there is opportunity in agriculture.

Because of this, there is real opportunity for beginning farmers and ranchers. We see this in our communities – new farmers getting started as well as real and sustained interest in training, education, and mentoring of beginning farmers and ranchers.

We respectfully urge you to provide \$15 million per year in mandatory funding for the Beginning Farmer and Rancher Development Program, and to authorize and provide \$5 million per year to fund the Beginning Farmer and Rancher Individual Development Account Pilot Program to help the next generation enter American agriculture, and succeed. This should be a top priority for the Agriculture Committee as you finalize the bill to be sent to the Senate floor.

There is a critical need to enact public policies to support beginning farmers and ranchers at this time. In 1978, there were 350,000 farmers 34 years of age and younger. In 2002, the Census of Agriculture reports that number fell to fewer than 70,000. With a diminishing number of beginning farmers and ranchers involved in agriculture coupled with the new opportunities that exist in this sector of our economy the time is now to invest in the tools and resources that will help and encourage the next generation of family farmers.

The Beginning Farmer and Rancher Development Program is good public policy that addresses key obstacles to beginning farmers and ranchers and provides smart, cost-effective start-up support and education for America's next generation of family farms. It helps deliver the kind of practical training and mentoring, and builds the kind of community support, that is the most effective way to help new farmers and ranchers succeed. In July, USDA's own Beginning Farmer and Rancher Advisory Committee recommended passage of the Beginning Farmer and Rancher Development Program, and funding the program at \$20 million per year.

The Beginning Farmer and Rancher Individual Development Account Pilot Program will support financial training and matched savings accounts to assist those of modest means to establish a pattern of savings and build equity in a new farming operation. Asset-building strategies have proven to be successful public policy, and it is time for agriculture to share in this success.

As you may recall, the Beginning Farmer and Rancher Development Program was passed in the 2002 Farm Bill, but never funded. In the 2007 Farm Bill, we need effective action. Not just words, but deeds. You have the right policy language and the support in the countryside. The opportunity is clear, and the time to act is now to provide a real commitment of dollars.

Sincerely,

Campaign for Family Farms and the Environment  
Community Food Security Coalition  
Federation of Southern Cooperatives  
National Campaign for Sustainable Agriculture  
National Family Farm Coalition  
National Immigrant Farming Initiative  
Rural Coalition  
Sustainable Agriculture Coalition

**Individual Organizations**

Agriculture and Land-Based Training Associations CA  
Angelic Organics Learning Center IL  
Blue Skys Flower Farm CSA RI  
California Farm Link  
California Food and Justice Coalition  
Center for Economic Security MI  
Center for Rural Affairs NE  
Central Illinois Farm Beginnings  
Clean Up our River Environment MN  
Community Food and Agriculture Coalition of Missoula County MT  
Connecticut chapter of Northeast Organic Farming Association CT  
CS Mott Group for Sustainable Food Systems  
Dakota Rural Action SD  
Delta Land and Community Inc. AR  
Farm Fresh RI  
FRESHFARM Markets DC  
Good Food for People TN  
Growing Healthy Foods, Farms & Families GA  
Hmong and Lao Assistance Association Inc. NC  
Illinois Stewardship Alliance  
Institute for Agriculture and Trade Policy MN  
Institute for Social and Economic Development DC  
Iowa Citizens for Community Improvement  
Iowa Farmers Union  
Kansas Farmers Union  
Kansas Rural Center  
Kirschenmann Family Farms, Inc. ND  
Land For Good MD/NH  
Land Loss Prevention Project of Durham NC  
Land Stewardship Project MN  
Liberty Prairie Foundation IL  
Madeira Gardens MD  
Manic Organic CSA RI  
Michael Field Agricultural Institute WI  
Michigan Food and Farming Systems  
Michigan Land Use Institute  
Midwest Organic and Sustainable Education Service WI  
Milwaukee Food Council WI

Milwaukee Urban Ag Network WI

Minnesota Catholic Conference  
Minnesota Citizens Organized and Acting Together  
Minnesota Farmers Union  
Minnesota Food Association  
Minnesota National Farmers Organization  
Minnesota Project  
Missouri Rural Crisis Center  
Multicultural Farmers Program MI  
Mvskoke Food Sovereignty Initiative OK  
Nashville Urban Harvest  
National Catholic Rural Life Conference  
National Farmers Union  
National Grange  
National Organic Farming Association – NY  
Native Seeds/SEARCH AZ  
Navajo Nation Farmers and Ranchers from the Navajo Reservation AZ/NM  
New England Small Farm Institute MA  
New Entry Sustainable Farming Project MA  
New Farmer Development Project NY  
Northeast Organic Farming Association – VT  
Northern New York Agricultural Development Program  
Northern Plains Sustainable Agriculture Society ND  
Ohio Ecological Food and Farm Association  
Organic Farming Research Foundation  
Pennsylvania Farm Link  
Practical Farmers of Iowa  
Prairie Crossing Beginning Farmer Incubator IL  
Root River State Bank MN  
Rural Advancement Foundation International  
Rural Life Office Archdiocese of St. Paul and Minneapolis  
Rural Madison WI  
Shorewood Nutritional Advisory and Physical Activity Committee  
Slow Food Wisconsin Southeast  
South Valley Economic Development Center NM  
Sustainable Farming Association of Minnesota  
Sweetwater Local Foods Market MI  
Texas Mexico Border Coalition  
The Association for the Advancement of Hmong Women in Minnesota  
The Corporation for Economic Opportunity SC  
The Kitchen Table Project WI  
The Land Connection IL  
The New American Sustainable Agriculture Project ME  
The Small Planet Institute MA  
The Verley Family Farm LLC VA  
Urban Agriculture Conference Milwaukee WI  
Wisconsin Farmers Union  
Vermont Grass Farmers Association  
Vermont Land Link  
Vermont Land Trust