BUILDING A FUTURE WITH FARMERS

Challenges Faced by Young, American Farmers and a National Strategy to Help Them Succeed
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NOVEMBER 2011

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Project Sponsors
Organic Valley/CROPP Cooperative, Farmers Advocating for Farmers Fund
The Lillian Goldman Charitable Trust

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This report was made possible with the help of many hands.

We thank Organic Valley/CROPP Cooperative, Farmers Advocating for Farmers Fund and the Lillian Goldman Trust for their generous support of the National Young Farmers’ Coalition and the creation of this report.

We also thank Barbara Jackson of Searchlight Research for her patience and generous help in data analysis, as well as Kathy Ruhf and Aimee Witteman for their guidance.

Thank you to Leanna Mulvihill and Dana Wolfson, our wonderful interns, who put in many hours contacting hundreds of organizations and farmers from coast to coast, and the entire board of the National Young Farmers’ Coalition: Avery Anderson, Tierney Creech, Severine vT Fleming, Michelle Hughes, Casey Knapp, Emily Oakley, Benjamin Shute and Sean Stanton.

Lastly, to our fellow farmers, thank you for your participation and eagerness to help in building a strong future for agriculture in the United States.
EXECUTIVE SUMMARY

Roxbury Farm, New York
Our Purpose

The National Young Farmers’ Coalition (NYFC) was formed by and for the next generation of American family farmers. NYFC’s issues and mission are directly informed by the needs of young, first-career farmers in rural America. To that end, drawing on a survey of over 1,000 farmers in our national network, we present a vision of policy change and achievable recommendations that will help the next generation of American farmers thrive.

Beginning Farmers Struggle to Succeed

While the USDA acknowledges the need for hundreds of thousands of new and beginning farmers in the United States, current federal and state agricultural policies are not doing nearly enough to provide support and opportunity to this critical group. Indeed, in many cases, conflicting policies erect barriers for young people striving to build their own farm businesses.

Farming is a vital and in-demand career, and is essential to our nation’s health, traditions and security. With almost one-quarter of all farmers expected to retire in the next twenty years, greater focus, creativity and resources are required to keep America farming. Government, from local towns to Congress, must play a part. Through policy, programs and zoning, government can be instrumental in bringing young people back to the farm.

MAJOR OBSTACLES FOR BEGINNING FARMERS IN THE US

<table>
<thead>
<tr>
<th>CAPITAL</th>
<th>Farmers need better access to capital, credit and small operating loans. These are critical for business start-up and expansion.</th>
</tr>
</thead>
<tbody>
<tr>
<td>LAND</td>
<td>Farmers have great difficulty finding affordable land to purchase or landowners willing to make long-term lease agreements.</td>
</tr>
<tr>
<td>HEALTH CARE</td>
<td>Health care is unaffordable, yet absolutely necessary, for beginning farmers.</td>
</tr>
</tbody>
</table>
State & Local Opportunities ★

To ensure that we have successful farms in our own regions, states and communities must also enact programs and policies to help beginning farmers thrive.

**STATES CAN REVISE LAWS TO:**
- Legalize and encourage apprenticeship programs
- Provide new farmer grants and opportunities for health care for small businesses
- Offer student loan forgiveness
- Promote affordability protections and tax incentives for protection of farmland

**COMMUNITIES CAN LEAD BY:**
- Expanding market opportunities
- Revising zoning to protect farmland from development
- Supporting local farms through purchasing choices

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**Federal Opportunities ★**

The upcoming revision of the 2012 Farm Bill and the ongoing agricultural funding debate provide an opportunity for citizens and elected representatives to claim space on the national agenda for young and beginning farmers. Specific recommendations include:

**CONTINUE AND IMPROVE ON CREDIT AND SAVINGS OPPORTUNITIES FOR YOUNG AND BEGINNING FARMERS**
Offer micro-lending programs and loan pre-approval for beginning farmers; provide training for FSA agents to work with beginning, diversified and organic farmers more effectively; fund the Beginning Farmer and Rancher Individual Development Accounts (IDA) Pilot Program.

**HELP ADDRESS LAND ACCESS AND AFFORDABILITY ISSUES**
Offer tax credits for leasing or selling land to a beginning farmer; prioritize affordability within the Farm and Ranch Lands Protection Program (FRPP); continue and encourage expansion of the Transition Incentives Program (TIP).

**EXPAND FARMER TRAINING AND EDUCATION OPPORTUNITIES**
Reinstate funding for the National Sustainable Agriculture Information Service (ATTRA), the most comprehensive database of farm apprenticeships and internships in the country; reauthorize and fully fund the Beginning Farmer and Rancher Development Program (BFRDP).

**DON’T SHORTCHANGE CONSERVATION PROGRAMS**
Restore funding to the Environmental Quality Incentives Program (EQIP) that provides cost sharing for on-farm improvements that enable organic and sustainable practices. EQIP projects help beginning farmers make critical capital improvements that they may not otherwise be able to afford.
INTRODUCTION

↑ North Plain Farm, Massachusetts
INTRODUCTION

Forward

AS YOUNG FARMERS, WE ARE DEDICATING OUR LIVES to building a prosperous agricultural sector. We are counting on farming to support ourselves, but our communities and our nation are counting on us to invigorate rural communities, to produce a healthy food supply, and to protect water, air and soil.

Because the success of young farmers and our nation are intertwined, both must share the responsibility to ensure that hard working, aspiring farmers have the opportunities they need to get started and to thrive. In many parts of the country, young farmers like us are struggling to make ends meet because of barriers we as society can anticipate and overcome. A shift in our current agricultural policy could both eliminate some of these stumbling blocks, and help to carve a path to success for young people who are building new farm businesses.

In this report, the National Young Farmers’ Coalition presents a vision for appropriate policy change and other avenues for support that will help fulfill our vision for a future with numerous, diversified, sustainable family farms. On the federal level, USDA programs can be expanded and improved to work better for beginners. In our states and communities, we can protect affordable farmland, support direct marketing and value-added production through regulation and grants, and enact new programs and tax incentives that help beginning farmers access land and capital. As individuals, both farmers and consumers can take action close to home to support one another’s success.

The agenda set forth here is grounded in an assessment of our national network of young and beginning farmers, whose perspectives are informed by the work we do every day in our fields, pastures, and greenhouses. The policy issues and recommendations do not comprehensively cover all of the needs of individual farmers in our broad network. Instead, we focus on those issues that are most common, and of most critical importance, to our constituency: the next generation of American farmers.
The National Young Farmers’ Coalition

The National Young Farmers’ Coalition (NYFC) was formed by and for the next generation of American family farmers. Our mission is to ensure the success of today’s young and beginning farmers and that of future generations of farmers.

NYFC is:

BUILDING a network of regional young farmers’ coalitions.

1a/1b) NYFC is helping to facilitate the development of and connections among regional young farmers groups. The Washington Young Farmers’ Coalition (pictured) is one of three recently formed state groups.

PROVIDING practical and technical assistance to young farmers.

2) NYFC encourages farmer-to-farmer learning through the Farm Hack project. Here, two farmers and an engineering student test a new idea for a self-flushing irrigation valve at the Farm Hack @ MIT event.

ADVOCATING for policies that will enable young farmers to thrive.

3) NYFC helped to organize a beginning farmer fly-in to the nation’s capital with the National Sustainable Agriculture Coalition.
American Agriculture Faces a Crisis of Attrition

America’s farmers, the farms they manage and the foods they produce are at a crossroads. For the past century the total number of American farmers has steadily declined—from over six million farmers in 1910 to just over two million farmers in 2007. For each farmer under 35 there are 6 over 65; and the average age of farmers is 57. It is estimated that between now and the year 2030, half a million (one-quarter) of American farmers will retire.

When our nation loses family farms, we all suffer economic, environmental and social harm. In agricultural areas, fewer farmers may mean a further consolidation of farmland, the decline of communities and their economies; and in suburban areas and the rural areas just beyond, this trend may contribute to the transition away from working farms into estates or residential developments. In cities, fewer farms regionally may diminish access to fresh, locally grown food.

Protecting the nation’s farms and farmland is an issue of national consequence. The success of beginning farmers today will determine the quality of food we eat, the future of our rural landscapes and the longevity of our farming traditions.

PERCENTAGE OF FARMERS OVER 65 AND BETWEEN THE AGES OF 25-35, 1890–2007 (USDA)

Demographic trends suggest that the farming population will continue to decrease: since 1950, the average age of principal farm operators has gone up, while the number of young farmers has steadily fallen. In 2007, there were only 118,613 U.S. farmers under the age of 36, just 13 percent of the 956,318 young people that operated farms in 1950.

WHAT’S YOUNG?

In the US today, for each farmer under 35, there are six over 65. The National Young Farmers’ Coalition is working to bring down the average age of the American farmer, currently 57 years old, by inspiring and enabling more young people to farm. We welcome all farmers and citizens to join us in this goal.

2. Ibid.
3. Ibid.
The dominance of large-scale farm enterprises has transformed agriculture and made operating and owning a family farm far more difficult.

A Generation Steps Up
As public awareness about food and farming has grown in recent years, a new opportunity for reversing the trend of farm loss has arisen. The National Young Farmers’ Coalition is witnessing an increasing number of young people from non-farm backgrounds who are pursuing or considering careers in agriculture, as well as a higher level of interest among farm youth in staying on, or returning to, the family farm.

The ‘good food’ movement—the interest and enthusiasm for organic, local and sustainably grown food now spreading across the country—is one of many factors bringing young people back to farming in the United States. The young men and women pursuing agriculture today have a different profile than generations past: they come from diverse backgrounds and experiences, they embrace sustainable growing practices, and many did not grow up on a family farm. Their families may have abandoned rural areas for the city many generations ago. Pursuing a farming career is a return to these roots.

Young people increasingly view farming as a physically engaging and fulfilling career that guarantees independence and leadership.

Great Potential, Big Challenges
Young farmers are tough, energetic and dedicated, but breaking into farming has never been harder. In the last fifty years, the rural landscape, the farm economy, and the dominance of large farm enterprises have transformed agriculture and made operating and owning a family farm far more difficult. As prospective beginning farmers set out to start their own farm businesses, they are faced with farmland that is priced many times beyond what they can afford, daunting start up costs, and few lenders willing to take the risk. The interest in local foods is creating a stronger market for their products, but a strong market is not enough to overcome these obstacles entirely.

WHAT’S BRINGING YOUNG PEOPLE BACK TO THE FARM?

| Interest in local and artisan foods | Environmental awareness | Outdoor & physical activity | Market opportunities | Successful young farmers |
NYFC’s survey was designed to provide stronger evidence for the many concerns being voiced by young and beginning farmers.

**THIS REPORT AIMS TO SPOTLIGHT** the experiences and needs of today’s young and beginning farmers, and to make recommendations for how the nation, local communities and consumers can help to nurture their growth. Renewing the nation’s farms can only happen with cooperation and resolve from consumers, policy makers and the farming community.

**Survey Design**

While the U.S. Department of Agriculture and other organizations have used census data and anecdotal evidence to understand the challenges of beginning farmers, none have produced a broad survey to fully understand the issues that young farmers face in getting started in an agricultural career. NYFC’s farmer survey was designed to provide stronger evidence for the many concerns being voiced by young and beginning farmers in rural areas, and to see how they varied across farm types, geography and experience. The survey is not meant to be representative of all young and beginning farmer needs, but as a starting point for serious discussion of what’s working, what’s not, and what kinds of policies and programs farmers in the beginning stages of their careers would like to see. We based our approach on a survey instrument designed by the Drake Agricultural Law Center for the 2010 forum, “America’s New Farmers: Policy Innovations and Opportunities.”

**SURVEY RESPONSES BY REGION**

- **West**: 27%
- **Midwest**: 30%
- **South**: 13%
- **Northeast**: 29%
Survey Participants

Thirteen hundred people from 34 states, 81 percent of whom are farmers, completed the survey. Many of the non-farmer respondents were aspiring farmers or individuals who work closely with farmers in a professional capacity. The survey was offered online and was advertised through blogs, listserves, farmer service providers and associations, events, conferences and to individual farmers. Most of the farmer networks that were contacted as part of the survey focus on sustainable and organic production.

Of the survey respondents who identified themselves as farmers, more than three quarters are first generation farmers. Of the farmers who grew up on working farms, the highest share were from the Midwest (35%). Sixty-eight percent of farmer respondents were under 35, and the majority were between 25 and 29 years old. Most farmers had between one and five years of experience working on farms.

STATES WITH MOST SURVEY RESPONDENTS

WASHINGTON 8%
WISCONSIN 4%
MICHIGAN 5%
CALIFORNIA 7%
OREGON 8%
IOWA 3%
ILLINOIS 3%
VERMONT 4%
NEW YORK 8%
PENNSYLVANIA 7%

9. Full survey results and data are available at the National Young Farmers’ Coalition’s website, youngfarmers.org
11. The U.S. Department of Agriculture defines beginning farmers as farmers or ranchers that have operated a farm or ranch for less than ten years.
Farmers reported a wide array of products, with organic vegetables being the most popular (73%), followed by organic livestock and organic orchard fruits (24%). The majority of respondents used organic practices, with first generation growers accounting for 83 percent of organic growers. Farmers markets were the most popular place to market products (61% of respondents), followed by Community Supported Agriculture (CSA) (49% of respondents).

The survey showed that farmers who grew up on working farms were much less likely to sell through farmers markets, CSA and restaurants. These farmers’ principal markets were wholesale or ‘other.’ Less reliance on farmers markets also correlated with more on-farm work experience: 67 percent farmers with one year of experience used farmers markets, but only 54 percent of farmers with over six years of experience sold products at farmers markets. More research is required to better understand these trends, but they do confirm the importance of a direct marketing for the agricultural economy as a whole and as a start-up strategy for new farmers.

**FARMER PARTICIPANTS’ FARMING BACKGROUND**

*Were you raised on a farm?*

- **10%** YES, and I’m still farming there
- **12%** YES, but I farm somewhere else
- **78%** NO

**FARMER PARTICIPANTS AND THEIR PRODUCTS**

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>118</td>
</tr>
<tr>
<td>Grain</td>
<td>109</td>
</tr>
<tr>
<td>Floriculture</td>
<td>122</td>
</tr>
<tr>
<td>Fruit/Orchard</td>
<td>258</td>
</tr>
<tr>
<td>Livestock</td>
<td>379</td>
</tr>
<tr>
<td>Vegetable</td>
<td>746</td>
</tr>
<tr>
<td>Other</td>
<td>197</td>
</tr>
</tbody>
</table>

*Organic? YES: 822 | NO: 165*
13. Community Supported Agriculture (CSA) is a partnership between producers and consumers. The consumer pays for a full ‘share’ of product at the beginning of a season, which helps farmers stay out of debt and manage risk. The shareholders benefit by developing a direct relationship with their farmer and often paying less for fresh produce or meat than for comparable products at a farmers market or grocery store.

THE RESULTS

^Tracy Potter-Fins, County Rail Farm, Montana
What’s Working

Farmers were asked to rate the importance of existing supports for beginning farmers: training opportunities, marketing strategies and programs offered by states and non-profits. These ranged from apprenticeships, to land-linking programs and Community Supported Agriculture (CSA). This wide ranging selection of activities are all recognized as helpful to young and beginning farmers, and the rating is intended to highlight the most successful strategies and where resources and attention should be focused going forward.

By far, farmers rated apprenticeships as the most important program for young and beginning farmers (74%), followed by local partnerships (55%) and CSA (49%).

1. Apprenticeships (74%)**
2. Local partnerships (55%)**
3. Community Supported Agriculture (CSA) (49%)**
4. Land-linking programs (47%)**
5. Non-profit training and education (44%)**
6. College and University training and education (30%)**

* Farmer responses only. Additional farmer response data can be found in the Appendix.
** Percentages indicate number of farmer respondents that rated each program as the most important (farmers could select more than one choice).
THE RESULTS: What’s Working

1a. Apprenticeships
Amber Reed, an apprentice with the Quivira Coalition’s New Agrarian Apprentice Program at the San Juan Ranch, Saguache, Colorado.

1b. Apprenticeships
Sauvie Island Organics apprentices moving irrigation pipe. Sauvie Island Organics, in Portland, Oregon, has graduated many highly successful farmers from their Farmer In Training (FIT) program. Shown here are Becky Calberg and Blake Manella.

2. Local Partnerships
Mike Appel and Emily Oakley, of Three Springs Farm in Oaks, Oklahoma, sell at their local farmers market.

3. Community Supported Agriculture (CSA)
The Greenwood Heights Community Supported Agriculture distribution in Brooklyn, New York.
1. **Apprenticeships**

Apprenticeships give people with little to no experience in agriculture the opportunity to learn the ropes on a working farm. Most apprenticeship programs do have an educational component, but it’s primarily hands-on learning and hard work. For many beginning farmers, an apprenticeship experience is an essential part of their early farming career and offers affordable training. Working for one or two years as an apprentice can prepare young farmers to work as regular farm employees or farm managers. The farmer-apprenticeship relationship is often one that lasts beyond the season, and the mentor-mentee bond may be the most valuable takeaway.

2. **Local Partnerships**

Local partnerships may include the creation of farmers markets and CSA distribution sites; such as “Buy Local” promotion programs, and the work of community-based organizations like Communities Involved In Sustaining Agriculture (CISA). CISA is an innovative organization based in Massachusetts that encourages people to eat and buy locally, provides technical assistance to farmers, and is working with farmers to tackle infrastructure challenges.

3. **Community Supported Agriculture (CSA)**

Community Supported Agriculture (CSA), that originally made its way to the U.S. in 1986, is a valuable business model for young and beginning farmers. In a CSA program, community members commit to buying a full season’s worth of produce in the spring, pre-paying for their “share” of the farm’s harvest. CSA members then pick up a variety of fresh produce each week from the farm.

The CSA model is helpful for farmers and consumers: farmers have enough capital in the beginning of the season to pay for the seeds and tools they’ll need; customers get a better price on produce and develop a relationship with their local farmer. CSAs break the debt cycle that threatens many farmers, in which they must borrow money at the beginning of the season and then hope to pay it back by the end. With guaranteed buyers and capital to start, CSA stabilizes risk and minimizes debt. CSA is particularly suited to vegetable growers, as their inputs are highly scalable, but the model is now being used to market diverse products, including meat, poultry, dairy, flowers, and even sustainably harvested seafood. In the 2007 Census of Agriculture, 12,549 farms reported marketing products through CSA.

“Without a CSA offering apprenticeship opportunities, I probably would not have started farming.”

— FARMER RESPONDENT, MARYLAND

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What's Not Working

Survey respondents were asked to rate the biggest obstacles for young and beginning farmers. Among farmers, lack of capital (78%) and access to land (68%) rose to the top, followed by health care (47%), credit access (40%) and business planning and marketing skills (36%).

<table>
<thead>
<tr>
<th>BIGGEST CHALLENGES FACED BY YOUNG AND BEGINNING FARMERS, AS IDENTIFIED BY FARMERS*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Lack of capital (78%)**</td>
</tr>
<tr>
<td>2. Land access (68%)**</td>
</tr>
<tr>
<td>3. Health care (47%)**</td>
</tr>
<tr>
<td>4. Access to credit (40%)**</td>
</tr>
<tr>
<td>5. Business planning and marketing skills (36%)**</td>
</tr>
<tr>
<td>6. Profitable markets (30%)**</td>
</tr>
<tr>
<td>7. Education and training (26%)**</td>
</tr>
</tbody>
</table>

* Farmer responses only. Additional farmer response data can be found in the Appendix.
** Percentages indicate number of farmer respondents that rated each program as the most important (farmers could select more than one choice).
1. Capital and Credit

Starting a farm is often an expensive proposition. Especially for farmers raising livestock for meat, producing orchard fruit, and running dairy operations, the costs of land, fencing, equipment, animal housing and processing facilities may be prohibitive. Because start-up capital can be a barrier to initiating these types of operations, it is not surprising that so many respondents were pursuing vegetable farming which requires less investment at the outset.

For young and beginning farmers who may be recent college graduates or fresh out of an apprenticeship, finding the money to start a farming operation is daunting. And for those who do get a business up and running, the returns in the first few years may be less than they can live on. Over 73 percent of farmers reported that they depend on off-farm income, with farmers with more experience tending to depend on off-farm income less than those with fewer years of experience. Midwestern farmers were the most likely to depend on off-farm income. National data suggest that farmers with lower incomes are more likely to depend on off-farm income.17

FARMER PARTICIPANTS BY YEARS OF FARMING AND DEPENDENCE ON NON-FARM INCOME

<table>
<thead>
<tr>
<th>YEARS FARMING</th>
<th>DEPEND ON NON-FARMING INCOME</th>
<th>DO NOT DEPEND ON NON-FARMING INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than a year</td>
<td>17%</td>
<td>10%</td>
</tr>
<tr>
<td>1-5 years</td>
<td>56%</td>
<td>56%</td>
</tr>
<tr>
<td>6-10 years</td>
<td>15%</td>
<td>19%</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>12%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Although ranked independently in the survey question, capital and credit access are so intertwined that they must be considered together. Access to capital through credit has always been a challenge for farmers, given the inherent risk of farming. For that reason, the U.S. Department of Agriculture Farm Service Agency (FSA) is authorized to make subsidized loans and to guarantee loans through private lenders. Because regular commercial lenders can be hesitant to make loans to farmers, FSA programs are absolutely essential for farmers of all ages and production systems. A commercial lender must turn down a farmer before s/he can apply to FSA, which is why FSA was once called the “lender of last resort.”

In her first season farming, Zoë Bradbury spent all her savings on farm inputs by April, including one-time start up expenses like her greenhouse as well as annual operating expenses of seed and soil amendments. With income not expected for another two months, Zoë approached FSA about getting a small loan for irrigation.

The local FSA office said it would like to be able to offer her a low-interest loan, but she was disqualified because she was operating on leased land. Furthermore, the amount the FSA could offer would be determined according to Zoë’s projected income, which is calculated by multiplying predicted crop yields by state commodity prices. Based on those prices, she would only be able to borrow a few hundred dollars, despite her plans to direct market her products to consumers. Zoë anticipated her direct market produce would yield ten times commodity prices. FSA would only accept direct-marketed prices if she had records of three previous, consecutive years of earnings at those rates.

Zoë also approached several local banks that were willing to lend to her, but only at a rate of 12 percent interest, and her family was unable to afford to make her a private loan. As a last resort, Zoë applied for a 12-month, no interest credit card to finance her first year of farming, and thanks to a good growing season, she was able to pay it off before the 18.9 percent interest rate kicked in.
Past Farm Bills created set-asides in FSA loan programs for “beginning farmers.” The FSA defines a beginning farmer as a farmer of any age who has been farming for 10 years or less.

There is little published data about who receives beginning farmer loans, but anecdotal evidence suggests that many young farmers are not qualifying for FSA programs. Commonly raised issues include:

**Inconsistency in knowledge among FSA offices.** Beginning farmers report that some FSA officers do not know about the beginning farmer and rancher loan opportunities. Farmers also report that FSA agents are not always prepared to help farmers with diversified operations, especially those marketing high value crops.

**Inability to get small operating loans.** FSA makes operating loans up to $300,000. Because the paperwork and eligibility requirements are the same for loans big and small, there is little incentive for FSA agents to work with clients interested in small loans. Therefore, the program is not adequately serving the needs of a beginning farmer, who may only need $20,000 to get started on a rented parcel.

**Loan requirements disqualify beginning farmers.** For direct farm ownership loans, FSA requires that farmers have at least three years of farm managerial experience, but 10 or fewer years of overall experience, to qualify as a beginning farmer. While some FSA agents are more lenient in the interpretation of this rule and find other qualifications that a farmer can fulfill, this is not always the case.

**Slow payments and low loan limits on direct loans.** The maximum direct farm ownership loan from FSA is $300,000, which does not come close to the purchase price of farms in many parts of the country. Furthermore, if a loan is even partially financed by FSA, then farmers may need to wait a month before hearing back to see if their loan application was accepted and then another several months to receive the loan payment. If the beginning farmer is not purchasing the property from a landowner willing to wait for the FSAs decision and the subsequent loan processing time, they cannot use the program.

“FSA Beginning Farmer Loan program can be great if you have a strong business plan, good luck, and one or two off-farm incomes to mitigate risk.”

— FARMER RESPONDENT, IOWA
Rigoberto Bucio
A young farm worker becomes a farm business owner with the help of a non-profit, but capital stands in the way of land tenure.

Rigoberto Bucio left middle school in his native state of Michoacán, Mexico to come to the United States and work in California’s strawberry fields. He didn’t bring agricultural skills from his hometown, but through years as an organic farmer’s field hand, he grew interested in one day owning his own farming business.

The California-based Agriculture and Land-Based Training Association (ALBA), a business incubator that works to advance economic viability, social equity, and ecological land management among limited-resource and aspiring farmers, helped Rigoberto get started. In ALBA’s 6-month Farmer Education Program, Rigoberto gained farming skills and business management training. He learned how to register as a farmer in Monterey County and developed a business plan, which he presented before a panel of other farmers.

When he graduated from ALBA’s Farmer Education Program in 2008, he managed a half-acre in a 110-acre plot owned by the organization and shared by about 40 ALBA farmers. Three years later, he manages four acres and provides almost three full-time jobs, plus occasional part-time jobs during the height of the growing season. In an area where the rate to rent an acre of land can be as much as $2,000 a year, he is paying ALBA $250 per acre per year, which will increase slightly each year as he gains experience.

As Rigoberto considers moving beyond his ALBA experience, raising the capital he needs for land, inputs and equipment is his greatest concern.
2. Land Access

The cost and availability of farmland to rent or purchase are major barriers for young farmers. Given that more than three-quarters of farmers who took the survey did not come from farming backgrounds, it is unsurprising that land access was a top issue. The discrepancy between sky-high land prices in many areas, and the modest incomes and assets of the typical young farmer, means that farmland ownership is out of the question for many beginning farmers.

This trend was reflected in the survey results, with farmers under 30 years old significantly more likely to rent land (70%) than those over thirty-years-old (37%). Overall, 30 percent of farmers said they rented land, 35 percent owned land and 36 percent worked for someone else.

Across the United States, farmland is becoming more and more concentrated in the hands of older farmers. In 1999, only 1.67 percent of farmland owners were under the age of 35, whereas 40 percent of farmland owners were over the age of 70.

The issue of farmland access goes beyond the individual needs of farmers; it is a food security challenge for the entire nation. With the expected retirement of one quarter of today’s farmers by 2030, it is estimated that 400 million acres, or 70 percent of the nation’s private farm and ranch lands, will inevitably change hands in the same time period.

“Land prices are so high that large farms are getting larger and non-ag investors are pushing values higher. This makes purchasing land nearly impossible as it will not pay for itself.”

— FARMER RESPONDENT, KANSAS

### AGE OF FARMLAND OWNERS IN THE UNITED STATES (1999)*

<table>
<thead>
<tr>
<th>AGE OF OWNER</th>
<th>NUMBER OF OWNERS</th>
<th>ACRES (in 1,000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>under 25</td>
<td>2,260</td>
<td>146</td>
</tr>
<tr>
<td>25-34</td>
<td>25,079</td>
<td>3,150</td>
</tr>
<tr>
<td>35-44</td>
<td>128,385</td>
<td>17,889</td>
</tr>
<tr>
<td>45-49</td>
<td>104,258</td>
<td>16,505</td>
</tr>
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<td>50-54</td>
<td>132,634</td>
<td>29,928</td>
</tr>
<tr>
<td>55-59</td>
<td>152,064</td>
<td>30,339</td>
</tr>
<tr>
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<td>177,326</td>
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</tr>
<tr>
<td>65-69</td>
<td>179,041</td>
<td>41,716</td>
</tr>
<tr>
<td>70 &amp; over</td>
<td>661,683</td>
<td>152,280</td>
</tr>
</tbody>
</table>

* Excerpt from 1999 Agricultural Economics and Land Ownership Survey, Table 98 “Land Owned and Leased to Others by Ownership Characteristics”

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19. Ibid.

Luke Deikis and Cara Fraver were both raised in agricultural communities, but met in New York City in 2003. While Luke worked in the television industry, Cara worked at a non-profit that coordinated CSAs in the city. For five years they lived together in Brooklyn and maintained a large backyard garden before leaving the city to pursue their farming dream in 2007.

Luke and Cara first set out to find a small piece of land with a realtor, hoping to find 15 tillable acres and a house that would be affordable on a farming income. They had excellent credit and money for a sizeable down payment, but soon realized the farms for sale were priced for developers rather than farmers. After a year of searching in an ever-increasing radius around the city, they decided to apprentice while continuing their search for land.

They expanded their search to include ground-leases and lease-to-own opportunities and began approaching alternative land access organizations. They registered with Farm Link in multiple states, posted ads on statewide organic farming organizations, contacted land preservation organizations, sent letters to landowners, tracked Craigslist postings, and created a website selling themselves and their search for a land lease. They found that traveling to and visiting with land owners was extremely time-consuming, but most were reluctant to share essential information about their property until they had met in person.

After three years of apprenticing and searching, Luke and Cara returned to the Multiple Listing Service and happened upon a property that fit their needs, though still not their budget. They contacted numerous local organizations hoping to find someone to purchase the property and then lease it back to them for farming use. They eventually found help from two non-profits: the Agricultural Stewardship Association and the Open Space Institute. One organization bought the property from the sellers and the second purchased the development rights from the first, creating a conservation easement that forever protects the property as farmland and lowered the purchase price enough that Luke and Cara could afford it. While working with the non-profits made it an 11-month process, they successfully closed on the farm in April of 2011, four years after their search began.
For farmers looking for land, this turnover may signal opportunity—but the land may be out of their reach without local, state and federal policy reform to ensure that prime farmland is accessible to the next generation. Between 2000 and 2010, national farm values doubled, from $1,090 per acre to $2,140 per acre.\textsuperscript{24,26} These price jumps affect both the price of land for purchase, as well as rental rates. Farmland adjacent to urban areas is even more expensive due to development pressure (in northeast states, for instance, the average farmland value is five-to-ten times the national average). The recent ethanol boom has also propelled price increases. In Kansas, Iowa and Nebraska farmland values rose close to 20 percent from 2010-2011.\textsuperscript{23}

Of course, owning land is not the only option for young farmers, and farmers may find greater success if they rent land in their first few years.\textsuperscript{26} As an old dairy farmer’s saying goes, “a cow can pay for the cow, the equipment, or the land. But the cow cannot pay for all three at once.”\textsuperscript{27} There are many alternatives to owning land,\textsuperscript{26} such as long-term leases, but these arrangements are hard to find. Already, 88 percent of farmland owners are not farm operators and these so-called “absentee landowners” own 40 percent of the nation’s farmland. Seeking tax exemptions, it is typically easier for these landowners to rent their property for haying or corn, as opposed to a livestock or higher value vegetable operation, increasing the chances that these lands will not be managed by young and beginning farmers who tend to start their careers in row crop production.

\textbf{FARM REAL ESTATE VALUES, 2000-2010\textsuperscript{27}}

\begin{table}[h]
\centering
\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|}
\hline
\hline
\textbf{$/Acre} & 500 & 500 & 500 & 500 & 500 & 500 & 500 & 500 & 500 & 500 & 500 \\
\hline
\end{tabular}
\end{table}

25. Ibid.
A young farmer talks about his experiences with health care.

Blain Snipstal farms in Louisville, Kentucky, where he produces food for Grasshoppers, a farmer-owned distribution company. Before starting his own operation, Blain farmed with a small nursery in California and grew food for his college cafeteria.

“As farmers, we put our bodies on the line to produce food for communities and fulfill our passion for life. I don't have health insurance that covers my farming right now. I can't afford it. I haven't had health insurance for some time now. When injuries arise, I usually ask for support from friends and colleagues or just deal with it myself.

Usually, for most farmers, the injuries start to build up right around tomato and potato harvest. My farm manager this past season began having chronic lower-back pains and headaches. She mentioned that she can’t go to the doctor because of the cost of insurance. Taking a break isn’t an option for those of us who rely on farming to earn and make a living.

As a small producer, our markets are limited and relatively controlled by the downward forces of big-ag and industrial markets. So trade-offs are usually made to keep the farm above margins. The trade-offs, typically, are the health of the farmer and the wage the farmer pays him or herself.”

— Blain Snipstal
3. Health Care

Farmers without health care take a terrible risk for their profession. Farming ranks as the fourth most deadly occupation in the U.S.\textsuperscript{28} Young and beginning farmers are at the greatest risk for injury on the farm as they build physical stamina and learn to use new equipment. Even the simplest tasks can turn into a trip to the emergency room, and all injuries (on-farm or not) or sickness without health insurance can put a person into severe debt.

Although an official count does not readily exist, most farms do not offer health insurance of any kind.

“\textit{To me, health care is included in lack of capital. Do I pay for health insurance or save up for the farm?”}\textemdash FARMER RESPONDENT, NEW YORK STATE

Beginning farmers from across the country travelled to DC in June, 2011 to meet with members of Congress on the Beginning Farmer and Rancher Opportunity Act
EXPAND AND IMPROVE TRAINING FOR BEGINNING FARMERS AND RANCHERS
The Beginning Farmer and Rancher Development Program (BFRDP) was initiated in the 2008 Farm Bill and is one of the most successful programs to date helping young and beginning farmers. BFRDP provides competitive grants to non-profits and universities for beginning farmer-training opportunities. This program provides an important foundation for farmer training and should be renewed and expanded in the next Farm Bill.

FUND THE NATIONAL SUSTAINABLE AGRICULTURE INFORMATION SERVICE, “ATTRA”
The National Sustainable Agriculture Information Service, a project of the National Center for Appropriate Technology, is the most comprehensive database of farm apprenticeships and internships in the country. The website also offers a wealth of resources on organic and sustainable farming methods and marketing. In the 2011 budget cycle this project, that helps so many people into agricultural careers, lost all federal funding. Although ATTRA serves every state with its online resources, it was categorized as an ‘earmark.’ Congress should reinstate funding for this program immediately.

How Congress and the President Can Help

HELP YOUNG FARMERS MAKE CAPITAL IMPROVEMENTS FOR SUSTAINABLE FARMING

The Environmental Quality Incentives Program (EQIP) provides cost sharing for conservation structures and management, and offers beginning farmers a cost share differential of up to 90 percent, with a 30 percent advance payment. One of the most recent national EQIP programs funded high tunnels, which enable season extension and protection from disease. Unfortunately, Congress and President Obama slashed EQIP by $350 million in the 2011 budget negotiations and the recent House Agriculture Appropriations bill took another $350 million out of the program.

To help young farmers make farm investments, Congress should: restore EQIP funding; increase the set-aside for young and beginning farmers; and reauthorize the cost sharing differential and advance payment for young and beginning farmers for EQIP.

SUPPORT THE CONSERVATION STEWARDSHIP PROGRAM (CSP) AND INCREASE SET-ASIDE

The Conservation Stewardship Program (CSP) provides financial and technical assistance to farmers for conservation activities and improving and maintaining conservation systems. This program currently includes a five percent set-aside for beginning farmers, which should be doubled in the next Farm Bill.

CONTINUE AND IMPROVE ON CREDIT OPPORTUNITIES FOR YOUNG AND BEGINNING FARMERS

- Make existing FSA loan programs work for young and beginning farmers

FSA loans are critical for many young and beginning farmers. As capital is one of the biggest barriers to starting a farming career, and farm financing has become more difficult in recent years, these programs must be a priority. The direct farm ownership loan experience requirement should be reduced to two years (from three), and USDA should be given the authority to increase the loan limits for direct farm ownership loans in areas of the country with higher real estate prices. The current loan limit is $300,000, which doesn’t go very far in many regions.
• **Provide microcredit for beginning farmers**

The FSA should offer credit to farms of all sizes, including those run by young and beginning farmers that need modest amounts of capital to get started or expand. In the 2012 Farm Bill, Congress should authorize a new micro-lending program that builds from FSAs existing youth loan program. Applicable to farmers ages 19-35, the program would have fewer loan requirements and offer farmers up to $35,000.

• **Fund beginning farmer and rancher individual development accounts**

Individual development accounts (IDAs) help young and beginning farmers save money by matching funds that they put into a savings account, and help them become successful entrepreneurs by requiring business planning courses. IDA programs have been instrumental in helping young people start businesses in states including Michigan, Iowa and California. The 2008 Farm Bill authorized a matched savings program for beginning farmers, but Congress never funded the program. IDAs should be reauthorized in the 2012 Farm Bill with $5 million of mandatory funding.

• **Make the FSA more accessible to beginning farmers by training FSA agents to work with young and beginning farmers, and expanding online resources**

All too often, young and beginning farmers report that some FSA agents do not know about or promote young and beginning farmer loans, and loan rules are often applied too stringently, preventing young and beginning farmers from receiving credit. FSA should have specially trained agents to assist young and beginning farmers in each county office, or specialists serving multiple offices in a region. In the short term, the USDA should greatly expand their online resources for loan seekers.

• **Offer loan pre-approval for beginning farmers**

In competitive real estate markets, the FSA loan making process is likely to take too long for growers to purchase land. The current application process can take longer than 30 days, and funds may not be available for months. FSA should be authorized to pre-approve farm loans.

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PROVIDE STUDENT LOAN FORGIVENESS FOR YOUNG AND BEGINNING FARMERS

Two-thirds of college graduates have student loan debt when they graduate. Farming is a vital and in-demand career, and the Federal Government should provide incentives to young people interested in pursuing agriculture, as is the case in other careers that are critical to our nation’s well being. As one option, full-time farm workers, farm owners and farm apprentices could be added to the Public Service Loan Forgiveness Program (PSLF), now offered to physicians, teachers and government employees.

Kathleen Merrigan, Deputy Secretary of Agriculture, meets with beginning farmers to discuss their experiences with USDA programs.

32. More information on the Public Service Loan Forgiveness Program can be found here: http://studentaid.ed.gov/Students/attachments/siteResources/LoanForgivenessv4.pdf
OFFER TAX CREDITS FOR LEASING OR SELLING LAND TO A BEGINNING FARMER
In Nebraska and Iowa, landowners are offered tax incentives for selling or leasing land to a beginning farmer. A similar program should be initiated at the federal level to encourage property owners to sell or lease their land to qualifying beginning farmers. Provisions to ensure that the beginning farmers are making a majority of their income in farming should be put in place.

PRIORITIZE AFFORDABILITY WITHIN THE FARM AND RANCH LANDS PROTECTION PROGRAM (FRPP)
The U.S. Department of Agriculture’s Natural Resource Conservation Service will match up to 50 percent of the price of a conservation easement through its Farm and Ranch Lands Protection Program (FRPP).33 This is an excellent use of federal funds that should continue and be expanded; however, priority should be given to programs or easements that include affordability provisions. If affordability protections are not made in an easement, the land can be sold at a price many times greater than what a farmer can afford and there is no guarantee that it will remain an active farm when the land next changes hands. Model programs to assure affordability have been successfully implemented by the Vermont Land Trust and by the State of Massachusetts.

TRANSITION INCENTIVES PROGRAM (TIP)
The Transition Incentives Program (TIP) offers landowners with land in the Conservation Reserve Program (CRP) two additional payments after their contract expires if they sell or offer a long-term lease to a beginning or “socially-disadvantaged”34 farmer or rancher. This program, especially important for Midwestern states, should be continued and greater use encouraged by Natural Resource Conservation Service agents. Transitions among family members who otherwise meet eligibility criteria should be permitted.

33. More information on this program can be found: http://www.nrcs.usda.gov/programs/frpp/
34. The USDA defines a socially-disadvantaged farmer as “one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of his or her identity as a member of the group without regard to his or her individual qualities.” More information can be found: http://www.fsa.usda.gov/FSA/webapp/area=home&subject=finp&topic=Sci
How States Can Help

LEGALIZE APPRENTICESHIPS AND PROTECT YOUNG FARMERS
State labor laws govern apprenticeships, and some state laws are friendlier to the idea than others. States should define apprenticeships, legalizing them for farmers while ensuring a safe work environment and fair compensation for farm apprentices.

NEW FARMER GRANTS
Massachusetts offers competitive small grants for beginning growers, a new program that helps young people get started in agriculture. This is a great program to watch, and one that should be considered by other states.

HEALTH CARE FOR SMALL BUSINESSES
Very few farms offer health insurance for their employees, and many employees will go without because of financial considerations. Programs like Healthy New York35 and Insure Oklahoma, which enable small business owners to provide affordable health care, should be emulated in other parts of the country to help small farms afford health care for their employees. Farmers who provide health insurance to their workers should not be placed at a competitive disadvantage.

STUDENT LOAN FORGIVENESS
In Pennsylvania, The Agriculture Education Loan Forgiveness (AELF) program helps eligible graduates repay student loans when they return to Pennsylvania to work in a qualifying agriculture field. Pennsylvania Higher Education Assistance Agency (PHEAA) will forgive up to $2,000 per year on outstanding American Education Services (AES)-administered, federally insured student loans for each year of satisfactory employment.36
AFFORDABILITY PROTECTIONS FOR FARMLAND

Protecting a farm from development with an agricultural easement may not ensure that the land will be owned and operated by a farmer or that it will be affordable for a farmer to purchase. Massachusetts, through its Agricultural Preservation Restriction program, is committed to keep working lands in active farming by requiring that eased parcels be resold at ‘agricultural value.’ As noted in the federal section, it is important that land protection be coupled with affordability and active farming. Other states should adopt similar regulations in their programs to fund agricultural easements.

TAX INCENTIVES FOR LANDOWNERS WHO RENT OR SELL TO BEGINNING FARMERS

Nebraska and Iowa have adopted innovative programs to provide tax incentives to landowners who lease or sell land to a beginning farmer. Other states should consider similar programs.

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37. Parsons, The FarmLAST Project, Farm Land Access, Succession, Tenure and Stewardship. 18.
How You & Your Community Can Help

• **START OR JOIN A CSA**

CSAs are a fantastic way to provide you, your family or roommates with affordable and healthy food. Find a CSA near you through Local Harvest (localharvest.org).

If you don’t see a CSA in your neighborhood, consider working with a local farmer or CSA organization to start one. In New York City, CSA is booming because individuals volunteer to help start and manage CSAs in their neighborhoods. The organization Just Food (justfood.org) pairs interested individuals with local farmers.

• **SUPPORT YOUR LOCAL YOUNG FARMERS BY SHOPPING WITH THEM AT THE FARMERS MARKET**

One of the easiest ways to help your local farmers is to shop at your local farmers market. If you don’t have a local market, consider working with farmers to start one.

• **SOURCE YOUR COMMUNITY FOOD FROM COMMUNITY FARMS**

Parents, if your children aren’t eating local food, you can do something about it. Talk to administrators about sourcing food from local farms and check out projects like the National Farm to School Network (farmtoschool.org).

• **MAKE YOUR ZONING FRIENDLY**

Especially in suburban areas, your local farmers may benefit from revised zoning that’s friendly to farming. If farmers ask for revisions, keep an open mind and help them work through their issues.

• **SELL OR RENT YOUR LAND TO A YOUNG AND BEGINNING FARMER**

If you’re sitting on a beautiful piece of farmland, with perfect drainage and infrastructure, why not consider renting or selling it to a young and beginning farmer? Willing and supportive land owners are critical to bringing up the next generation of farmers in the United States. By helping a young farmer get started, you’ll change a life, help your country, and make a friend in the process.

• **MOVE THIS AGENDA FORWARD WITH THE NATIONAL YOUNG FARMERS’ COALITION**

The National Young Farmers’ Coalition will be closely tracking the Farm Bill and agriculture funding debates over the next year, as well as state policies and programs. We will offer opportunities for participation and action.

Right now, you can help us win a sustainable and healthy future for American agriculture by joining the National Young Farmers’ Coalition and participating in local organizing efforts.
Start or get involved with a state or regional coalition of young farmers

Farmers in Michigan, Washington State, Connecticut, New York and other states are forming local coalitions to connect farmers within their region. These groups are organizing for policy reform at the state level and are leveraging local resources and know-how to strengthen their farming communities.

All of the groups plan fun events, and their close geography enables participating farmers to share tractors, tools and ideas. They’re also a great way to make farmer friends!

REGIONAL COALITION CONTACTS

- **Michigan Young Farmers’ Coalition**
  - michiganyoungfarmercoalition.org
  - farmer@michiganyoungfarmercoalition.org

- **Washington State Young Farmers’ Coalition**
  - washingtonyoungfarmers.org
  - info@washingtonyoungfarmers.org

- **Connecticut New Farmers Alliance**
  - www.newctfarmers.com
  - farmer@newctfarmers.com

Check youngfarmers.org for info on groups in New York, Massachusetts and other states. If you’re interested in forming a coalition in your state, email info@youngfarmers.org.

Join!

Join the National Young Farmers’ Coalition. By becoming a member, you’ll help us demonstrate widespread demand for policies that support family farmers.

Your support will help us bring farmers to meet with their representatives in Washington, DC, advocate for a Farm Bill for the next generation, grow our network of young farmer coalitions throughout the country and expand our practical resources.

**To sign-up, go to youngfarmers.org →**
These tables highlight how farmer survey respondents, across a variety of demographics, prioritized challenges that beginning farmers face, as well as the programs and actions that can help them succeed.

The highlighted cells demonstrate significance within a group, at the 90% confidence level or greater. In other words, the highlighted results are not simply the result of the sample, but illustrate a trend within a given group of farmers.

<table>
<thead>
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<th>Most important potential actions that should be taken to help beginning farmers and ranchers</th>
</tr>
</thead>
</table>
| American Farmers and a National culture of Local partnerships.Invest in or support agribusiness training/extension. |}

**APPENDIX**

Highlighted cell = Significant difference within group