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Should the Beginning Farmer and Rancher Development Program be Altered?

BACKGROUND

The future of farming and ranching depends on young people continuing to enter into agricultural production. The increasing average age of farmers and the decreasing number of young farmers has been a rising concern. For many, the primary barrier to starting a farm is a lack of financial resources, because the costs of farming are too great for one who lacks capital, collateral, and/or a credit history. This creates a barrier to entering agricultural production for young farmers, women, minorities, and low-income individuals. In recent years, the Farm Bill has extended benefits toward young farmers as well as to women and minorities.

ISSUE

The Beginning Farmer and Rancher Development Program (BFRDP) was first authorized in the 2002 Farm Bill, though it did not receive any funding. The 2008 Farm Bill appropriated \$75 million a year, and the 2014 Farm Bill increased funding to \$100 million in mandatory funding, or \$20 million per year through 2018. Overall, the BFRDP seeks to make entry into farming easier by increasing access to capital and supporting crop insurance and risk management tools, including reducing crop insurance premiums during the first five years of farming.

The purpose of BFRDP is to help beginning farmers and ranchers enter and/or improve their success in farming, ranching, and management of nonindustrial private forest lands. The program supports projects that provide education, mentoring, and technical assistance to give beginning farmers the knowledge, skills, and tools needed to make informed decisions for their operations, and enhance their sustainability. BFRDP is targeted toward farmers and ranchers who have not operated a farm or ranch, or have operated a farm or ranch for no more than 10 years. In addition, a portion of BFRDP funding is set aside for projects that address the needs of two subsets of beginning farmers and ranchers:

- At least 5 percent of the program funds available for standard BFRDP projects will be allocated to address the needs of limited resource beginning farmers and ranchers, socially disadvantaged beginning farmers or ranchers, and/or farm workers (including immigrants) desiring to become beginning farmers or ranchers.
- At least 5 percent of the program funds available for standard BFRDP projects will be allocated to address the needs of beginning farmers and ranchers who are military veterans.

Over the past eight years, BFRDP has invested nearly \$125 million to develop and strengthen innovative new farmer training programs and resources across the country and has funded 252 projects in nearly all 50 states. To educate new farmers on the programs available to them, USDA launched this website: <https://newfarmers.usda.gov/discovery>.

OPTION #1

Should the amount of funding for the loan programs be increased so that more beginning farmers and ranchers could be assisted?

OPTION #2

Should the loan amount limits for operating and ownership loans be increased given the current cost of doing business on typical farms and ranches?

OPTION #3

Farmland easements became possible in the Agricultural Conservation Easement Program (ACEP) when land was permitted to be farmed. However, these easements can be overly restrictive and make it difficult for new farmers to qualify. Should easement rules be relaxed?

OPTION #4

Should eligibility be extended to those who have operated a farm no more than 15 or 20 years (from the current 10-year limit)?