

April 18, 2018

The Honorable Sonny Perdue
Secretary of Agriculture
US Department of Agriculture
Washington, DC 20250

RE: Recommendations from the USDA Advisory Committee on Beginning Farmers and Ranchers

Dear Secretary Perdue,

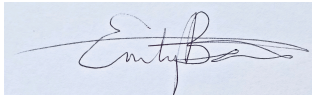
On behalf of the USDA Advisory Committee on Beginning Farmers and Ranchers, we are pleased to share the Committee's recommendations with you.

Our Advisory Committee members brought a wealth of personal and professional experience to the table as well as a shared passion to support beginning farmers and ranchers. Draft recommendations emerged from four working subgroups on Military Veterans, Partnerships, Changing Marketplace, and Monitoring & Evaluation. After nearly two years of meetings and deliberations, including testimony from USDA agency officials and the general public, we finalized our recommendations.

It is our sincere hope that our recommendations will serve you and your team at USDA to champion the cause of beginning farmers and ranchers.

Thank you for your consideration of our recommendations. Our fellow Committee members were grateful and honored for the opportunity to serve beginning farmers and ranchers.

Sincerely,



Emily Best
Co-Chair



Thomas Spaulding
Co-Chair

Attachments:

- Recommendations from the Advisory Committee
- List of Advisory Committee Members

Beginning Farmer and Rancher Advisory Committee

Recommendations

Approved April 17, 2018

Recommendation from the Full Committee:

Recommendation 1:

We recommend an increase in the percentage set aside for the Value Added Producer Grant Program for the four set aside categories of beginning farmers and ranchers, military veteran farmers, socially disadvantaged farmers, and small to medium sized family farms and ranches. We recommend an increase from the current 10% set aside to at least a 30% percentage set aside. Of this 30% set aside preference, at least 30% should go to military veterans and 30% to socially disadvantaged farmers.

Background:

- 21% of all farmers in the USA are beginning farmers and/or ranchers (BFRs)..
- USDA definition for BFRs varies across agencies. For example, RMA, for crop insurance, uses under 5 years of operation for its BFR definition.
- USDA definition of military veterans is that they have been in business less than 10 years (ie, assumes they are BFRs).
- For the FSA, socially-disadvantaged farmers definition does not include military vets. FSA uses the term under-served for socially-disadvantaged farmers. FSA has separate definition for limited-resource producers.
- For the value added producer grant, the current status is that there is a 10% percentage for four set aside categories required by the Farm Bill: beginning farmers and ranchers, military veteran farmers, socially disadvantaged farmers, and small to medium sized family farms and ranches.
 - For example, in FY2018, there is approximately \$18 Million for the value-added producer grants. If this policy is implemented, then there will be at least (a floor) of \$5.4 Million (30% of total) available for BFRs. Of this \$5.4 Million there would be at least (a floor) of \$1.62 Million for military vets and \$1.62 Million for socially-disadvantaged farmers.
 - There could be more allocated based on applicants, but this would establish the floor (minimum required allocations).
- Since FY2009 (the first year the priorities were implemented for VAPG) 18% of the VAPG awards have gone to beginning farmers, 18 percent have gone to socially disadvantaged farmers and ranchers, and 26% have gone to small- and mid-size

family farms. The priority for veterans did not come until the 2014 Farm Bill and to date, about 1% of the VAPG awards have gone to applicants identifying as a veteran farmer or rancher. (Source: Jermolowicz, Andrew - RD, Washington, DC Andrew.Jermolowicz@wdc.usda.gov).

- “In the 2008 Farm Bill, VAPG was one of just three programs in the Rural Development Title to receive mandatory funding, but its funding dropped dramatically to \$15 million total for all five years of the bill, along with an authorization for additional discretionary funding.

“The 2008 Farm Bill also created two 10 percent funding set-aside categories, one for mid-tier value chain projects, and one for projects creating opportunities for beginning or socially disadvantaged farmers or ranchers. Additionally, the 2008 Farm Bill required USDA to prioritize projects that increase opportunities for: (1) small- and medium-sized family farms and ranches, (2) beginning farmers or ranchers, and (3) socially disadvantaged farmers or ranchers.

“The 2014 Farm Bill makes two significant changes to the program by adding veteran farmers and ranchers as a new fourth priority category and also changes the process for providing priority consideration for projects by groups of producers. Rather than having group applicants meet a numerical requirement regarding what percentage of a cooperatives’ members are beginning, socially disadvantaged or veteran farmers, USDA will now be required to prioritize those projects that “best contribute to creating or increasing marketing opportunities for small and medium-sized family farms and ranches or beginning, socially disadvantaged, or veteran farmers and ranchers.” (Source: National Sustainable Agriculture Coalition)

Recommendations from the Veterans Subgroup:

Recommendation 2:

We encourage the Secretary to continue better understanding from USDA employees of VA and Department of Defense programs and benefits. This could be done by hiring staff with VA and DoD experience to encourage cross-pollination amongst agencies.

Background:

- The USDA strives to have a quarter (25%) of its workforce be veterans, and prioritizes hiring them.

- Encourage cross-pollination amongst agencies, this is currently done with service members injured on Active duty being service connected for disabilities. This would expedite and improve efficiency amongst Agencies.
- Hiring veterans in the USDA would enhance the agency's mission to revitalize rural America.

Recommendation 3:

We recommend that veterans pursuing beginning farmer financial skills training through FSA certified programs and VA Vocational Rehabilitation training be allowed to use GI Bill benefits to pay for such training.

Background:

- Using these existing programs will assist and encourage veterans into agricultural fields and farming.
- USDA recognized that the same strengths and skills used in national security operations could be translated to food security operations.

Recommendation 4:

We support the inclusion of veterans in beginning farmer mentorship programs.

Background:

- Having a mentorship program will ensure a greater success for the Veteran as well as build confidence.
- USDA are seeking more programs to make Agriculture more attractive to veterans, and expand with new apprenticeships.

Recommendation 5:

We recommend further USDA support of the AgrAbility program so as to provide adaptive farm equipment solutions to disabled veterans.

Background:

- AgrAbility recently conducted a 10-year study to compare the program's impact with a no-treatment comparison group. Using the McGill Quality of Life (QOL) survey and a newly-developed Independent Living and Working (ILW) instrument, AgrAbility gathered data both from AgrAbility clients and from farmers/ranchers with disabilities who had not received services.

The results: on average, the 196 AgrAbility client group participants reported: (1) increased QOL levels of 28%, while the 97 no-treatment comparison group's QOL level fell by 4%; and (2) increased ILW levels of 30%, while the no-treatment comparison group increased by 8%. The AgrAbility impact brochure is attached.

A large percentage of our nation's veterans come from rural communities and return to those communities after their service. Many cannot work in "normal" office jobs because of their disabilities. Agriculture can be both a form of therapy as well as a viable career choice for these veterans. If we can aid them in that career, whether it is adaptive farm equipment or training to improve their farming practices, we are bringing much-needed new farmers into the workforce and/or allowing current farmers to continue working in their chosen careers.

- The AgrAbility program currently provides adaptive farm equipment solutions to disabled veterans. Recommend that USDA work with the VA Benefits/Vocational Rehabilitation program so that the VA can provide the funds to procure the necessary adaptive equipment and recognize farming as a viable career choice for those disabled veterans.
- The anecdotal stories of veteran's lives saved or improved by farming are plentiful. Several are included in a National AgrAbility video titled, ***The Next Mission: Breaking Down Barriers for Veterans in Agriculture***. That video can be viewed at www.nextmission.us.

The AgrAbility Impact brochure is also attached.

Please contact Cindy Chastain, Veteran Outreach Coordinator for the National AgrAbility Project for more information.

chastai1@purdue.edu

317-319-3452

Recommendation 6:

We recommend identifying USDA employees at the state level to serve as Veterans Outreach Coordinators. They would be trained in veterans outreach to assure that they can effectively inform and counsel veterans seeking program benefits from USDA. County FSA office employees can refer veterans to these coordinators.

Background:

- The FSA office is the first step for most Veterans seeking guidance and help. By providing a Veterans Outreach Coordinator it will provide a One Stop Shop in helping Veterans to succeed. At minimum, Provide a toll free number providing assistance.
- USDA Vets in Agriculture Initiative to connect veterans through FSA employee training programs is being implemented.

Recommendation 7:

We encourage the Secretary to continue the commitment to hiring veterans in USDA.

Background:

- The USDA strives to have a quarter (25%) of its workforce be veterans, and prioritizes hiring them.
- Natural Resources and Conservation – 2700 (.4%)
- Agriculture, Agriculture Operations, and Related Sciences 1719 (.2%)
- Total percent Of USDA employees that are military veterans is 13.01% with a goal of raising to 25% of total staff.

Recommendation 8:

We recommend VA and USDA join forces to address PTSD issues with farming as a means of readjustment because of its impact on combat veterans health mental and physically.

Background:

- Veterans returning from Afghanistan and Iraq are [simultaneously] looking for meaningful ways to translate their military skills and character into mission-driven work with many coping with service-related injuries and disabilities, especially Post Traumatic Stress Disorder (PTSD).
- Farming may be therapeutic for veterans if proper support is provided. It can help prevent Veteran suicides, reducing the number of 22 deaths a day of military veterans towards zero.
- There are alarming rates of Military Veteran's that are homeless (23%) and many more are unemployed or underemployed.
- Many veterans could be involved in agriculture but lack experience or the financial ability to do so. According to by Karen Besterman-Dahan, PhD, RDHSR (and referenced in her presentation entitled Farmer Veterans: Finding a Sense of Calm, Purpose, and Connection Rooted in Agriculture) agriculture is identified as an opportunity for Military Veterans to learn agriculture “interning” by doing agricultural and conservation practices. Moreover, research shows that outdoor

physical activities can mitigate pain, reduce anxiety, and depression. In addition, Veterans can achieve a sense of purpose and meaning, accomplishment, calmness, participate in meaningful work, ease reintegration and develop new interests, skills and future goals.

Recommendations from the Monitoring and Evaluation Subgroup:

Recommendation 9:

The USDA should work with Congress to include at least \$50 million in annual baseline funding for the Beginning Farmer and Rancher Development Program (BFRDP) in the Farm Bill currently being developed in Congress. At \$50 million, BFRDP will have baseline funding that protects the integrity of this proven successful and flagship USDA beginning farmer program.

Background:

The USDA Beginning Farmer and Rancher Development Program (BFRDP) is the only federal program directly focused on development of beginning farmers and ranchers. It is the flagship program at USDA for beginning farmers and ranchers. USDA, GAO and community-based organization evaluations have documented the positive outcomes and impacts of the BFRDP. The program has hit its legislative mandates, is growing the next generation of farmers, and is building a national infrastructure of program models and best practices for training new farmers. However, at the current level of funding (\$20 million annual), this successful program cannot reach the number of farmers needed the program does not have baseline funding that protects program integrity.

- This recommendation requires statutory change. The Farm Bill must be passed by Congress and signed by the President.
- Increasing BFRDP annual funding to \$50 million would cost an additional \$30 million annually from the current \$20 million authorization.
- USDA should work with the growing network of universities, community based organizations, and businesses who are involved in beginning farmer training programs across the USA. There is a large constituency of support for beginning farmers in general and this successful USDA program in particular.
- Stakeholders will need to voice support to their Congressional representatives throughout the development of the Farm Bill.

Between 2009 and 2015, BFRDP impacted more than 60,000 beginning farmers and ranchers across the US. Almost all projects focused on farmers in their first 5 years of training. More than half of BFRDP project participants have started farming.

USDA should proudly promote this flagship program with Congress as it shapes the Farm Bill, and use it to build out and replicate successful models.

Recommendation 10:

The USDA should leverage the best practices and indicators emerging from BFRDP's growing network and infrastructure of experience around the nation and apply these best practices to USDA's programs that support beginning farmers and ranchers.

Background:

USDA programs that serve beginning farmers and ranches would benefit from adopting practices based on the best practices emerging from BFRDP evaluations and experience, including:

- Farmer-to-farmer and farmer-driven programming. Successful BFRDP programs engage farmers in design, implementation, and decision-making. Farmers report in study after study that farmers rely more on farmers than any other single source for information on launching and running a farm business. Inviting farmers to help design, implement and lead farmer training programs insures that program meet farmer-expressed needs.
- Partnership with community-based organizations and universities allow USDA resources to reach farther into underserved populations and leverage skills and resources of academic and farmer networks.
- Target at least 25% of resources towards socially-disadvantaged farmers to insure that USDA resources reach all farmers. The Congressional mandate to use 25% of BFRDP resources for socially-disadvantaged farmers led to significant training resources reaching farmers who often are unable to access USDA programs.
 - There are many USDA programs that could adopt best practices from the BFRDP program without any statutory or regulatory change.
 - There are no specific costs associated with adapting and incorporating best practices in other USDA programs.
 - The growing network of community based organizations and universities who contribute to BFRDP should be engaged to assist USDA to adapt BFRDP best practices into other USDA programs.

Recommendation 11:

USDA should focus increased resources from the BFRDP on farm viability in years 6-10 of start up.

Background:

While more than 90% of BFRDP projects include farm business management and farm financial training, the vast majority of BFRDP projects focus on beginning farmers in their first 5 years of business (94% of BFRDP projects) compared to farmers in years 6-10 of a farm business (54% of BFRDP projects). In the experience of many beginning farmer training organizations, farmers struggle in years 6-10 to navigate how to grow into and

sustain a financially viable farm business. Beginning farmers and ranchers would benefit from increased resources allocated to projects meeting the needs of farmers in years 6-10 to address issues around financial viability.

- Focusing additional resources towards beginning farmers and ranchers in years 6-10 does not require statutory or regulatory change.
- There are no costs associated with implementing the recommendation.
- Stakeholder groups should be engaged to help shape how best to design and implement an increased focus on farm viability within BFRDP.

Recommendation 12:

The USDA should set a bold and inspirational goal of a net increase of 100,000 beginning farmers and ranchers in the next five years. This means we will reverse the loss of more than 130,000 BFRs over the past five years and create a net positive of 100k BFRs in the coming next five years. This is a goal that stakeholders can rally around and collaborate with USDA to reach them. Alongside these goals, we recommend the USDA use at least the following set of six key indicators to track progress towards the net increase.

Background:

There are currently no clear goals stated for how many beginning farmers and ranchers the USDA and stakeholders will assist into starting and sustaining farm businesses over the next 5 years.

“You grow what you measure” is a popular saying that rings true. We need a clear national goal towards which stakeholders and the USDA can aspire, as well as a set of national key indicators to measure and guide our progress.

We recommend that the USDA set national goals for BFRs and assign key indicators to measure success.

Aligning with Secretary Purdue’s four goals for the USDA provides a framework for selecting a list of key indicators that will help the USDA and stakeholders track progress towards goals. Here are six indicators that should be considered for inclusion:

- **# of BFRs starting farm businesses and staying in business** (Secretary Purdue: modernize customer service) - set an ambitious goal such as “to train 100,000 farmers into successful farm businesses over ten years” and track the number that start and sustain farm businesses
- **# of economically viable farm business operated by BFRs** (Secretary Purdue: maximize ability to produce and thrive) – track gross and net income of BFRs over time.

- **# BFRs who move from farmworker to farm owner/manager** (Secretary Purdue: maximize ability to produce and thrive) – track upward mobility of populations who have agricultural skills and work ethic into BFR farm ownership/management.
- **# BFRs and soil health** (Secretary Purdue: effectively steward resources) – track organic matter, water infiltration, biological activity, and/or other soil indicators on the farms of BFRs and assess progress on regeneration of soil health, the single most important foundation for the future of agriculture.
- **# BFRs selling diverse product into local and regional markets** (Secretary Purdue: food secure nation) – track the diversity and volume of diverse crops raised in the USA that meet the full dietary needs for healthy people, balancing fruits & vegetables, row crops/grain, meat & dairies, etc. and favoring local and regional food economies over imports
- **# BFRs connecting with food insecure populations.** (Secretary Purdue: food secure nation) – track data on farmers who reach food insecure households to make sure all US youth and adults have access to good food

The Agricultural Census reveals that the USA lost more than 130,000 beginning farmers between 2007 and 2012. Beginning farmers dropped by 20% from 652,820 to 522,058. (Source: USDA NASS). It is estimated that the USA in the next decade will need to fill more than 250,000 agricultural jobs to support food production at its current rate (Source: Dr. Karen Besterman-Dahan, HSR&D Center of Innovation on Disability and Rehab Research, James A. Haley Veterans Administration). We clearly are failing to open opportunities and remove barriers for beginning farmers and ranchers to replace retiring and aging farmers.

Setting national goals and choosing indicators does not require statutory or regulatory change.

No additional costs are associated with setting goals and choosing indicators though it may lead to reallocation of resources towards the most effective and efficient channels to reach goals over time.

USDA should engage all its stakeholders to reach towards BFR goals.

Recommendation 13:

The Census of Agriculture should revise the definition of beginning farmers and ranchers by: (1) allowing census respondents to self identify, and (ii) distinguishing between legacy* and non-legacy beginning farmers.

(* legacy beginning farmer and rancher shall mean such farmer who inherited or was otherwise gifted farmland, farm machinery or non-cash farm assets that at the time of such transfer were valued at at least \$50,000).

Background:

- We know there are resource differences between farmers who inherit assets from those who don't. If we can track these, we can identify the types of resources and support that are needed between these different BFRs.
- The data will reveal whether the loss of BFRs is skewed more towards non-legacy farmers. While the USDA does not have data currently on BFRs and their background in agriculture, a 2017 survey undertaken by the National Young Farmers Coalition reports that 75% of new BFR respondents do not have a farm background (Source: National Young Farmers Coalition <http://www.youngfarmers.org/survey2017/>).
- Currently there is no accurate approach in gathering timely and accurate census data relating to 'self-identified' Beginning Farmers and Ranchers (BFR). The addition of a question to the Census instrument would be of benefit in identifying and addressing the number of BFRs and potential needs of these groups of farmers.
- We should seek the addition of a BFR self-identifying question and definition to the next/upcoming UNITED STATES (2022) CENSUS OF AGRICULTURE FORM (Form Number: 17-A100 - 12/13/2016).
- For self-identification on the Census, a simple addition to this form might read:
Do you consider yourself a Beginning Farmer or Rancher? (Are you an individual or entity who has never operated a farm or ranch, or has operated a farm or ranch for no more than 10 consecutive years? This definition applies to all members of an entity).
- A collective, accurate, systematic approach across governmental agencies for identifying BFR (Beginning Farmers and Ranchers) is lacking or does not exist. Inclusion of such a question into a central document, in which the majority of US Agricultural Producers normally participate, may effectively address the issue.
- Historically it has been difficult to find a source(s) that identifies the numbers of current, self-identified BFR's.

- Self-identification of BFR's may assist the issue of quantifying the number of Beginning Farmers and Ranchers. Producers are currently asked to voluntarily complete UNITED STATES (2022) CENSUS OF AGRICULTURE FORM (Form Number: 17-A100 - 12/13/2016). The addition of a self-identifying BFR question would aid in identification of and streamline services to BFR's.

Recommendations from the Changing Marketplace Subgroup:

Recommendation 14:

Given the import of direct to consumer markets for BFRs and their farm viability as well as the import of direct to consumer sales for building local and regional food systems and national food security, we recommend that USDA-ERS undertake a deep dive study during the first half of 2018 into the reasons behind the data and reports of the changing marketplace of direct sales (direct to consumer, direct to retail, and direct to institutions). Information on the changing marketplace is critical for BFRs to make timely adjustments that allow them to stay in farming.

Background:

Direct Sales (\$8.7 Billion in 2015) represent an important entry point into agriculture for beginning farmers and ranchers (BFRs). Farm survivability is increased for BFRs who market direct to consumer. In recent years since the last census of agriculture, farmers and researchers are reporting "softening" if not significant decline in sales reported by farmers in the direct to consumer markets.

In the NASS report "Operations Selling Directly: Count and Sales Through all Marketing Channels 2015", it documents 167,009 farm operations used direct marketing practices to sell food in the US. \$8.7 billion dollars of food was sold through direct marketing practices, including value added products at the first point of sale. \$4.8 billion were direct food sales of raw commodities. \$3.9 billion were food sales of value added commodities. (Source: NASS study Executive Briefing: 2015 Local Food Marketing Practices Survey, December 20, 2016, https://www.agcensus.usda.gov/Publications/2012/Online_Resources/Local_Food/pdf/LocalFoodsBriefingPresentation_FINAL.pdf)

A decline in direct to consumer sales has been reported across the US over the past five years by farmers, news reports, and researchers. Farmers have reported widespread declines in sales at farmers markets, CSAs, and other direct markets. Numerous articles have appeared documenting concerns of farmers and consumers about this trend, including "*For some growers, farmers markets just aren't what they used to be*" in the Washington Post, June 21, 2016. Farmers share concerns of rapidly expanding box delivery services, entry of major grocery store chains into sales of fresh and organic produce, and growing numbers of farmers markets without the growth of the customer base to sustain them.

The softening of the markets first began appearing in the Census in the 2012 data. Analysis by USDA-ERS in 2015 reported that after years of growth, between 2007-2012 direct to consumer sales “actually declined by nearly 1 percent when measured in constant dollars.” See *“Trends in US Local and Regional Food Systems: Report to Congress”* issued by the USDA-ERS (Admin Publication No. 068, January 2015),

For beginning farmers and ranchers, direct sales represent an important entry point into farming and a critically important way to manage risk and stay in business. In the USDA-ERS study *Trends in US Local and Regional Food Systems*, it reports (page 13): “In the United States, the farm business survival rate is low. According to census of agriculture data, only 55.7 percent of all farms having positive sales in 2007 also reported positive sales in 2012. Beginning farmers (those farming for no more than 10 years) are even less likely to report positive sales in consecutive census years. Only 48.1 percent of beginning farmers in 2007 reported positive sales 5 years later.

“The census data also show that farmers who market food for human consumption directly to consumers have a greater chance of reporting positive sales in 2007 and 2012 than those who market through traditional channels....The differences in survival rates were substantial, ranging from 10 percentage points for the smallest farms to about 6 percentage points for the largest. Direct marketing was also associated with higher survival rates among beginning farmers. On average, beginning farmers who marketed directly to consumers had a 54.3-percent survival rate, compared to 47.4 percent for those who marketed their goods through traditional channels.”

The Advisory Committee notes that the Agricultural Census comes every 5 years and results are due in 2018. However, given the rapid decline in some regions and some direct sales (up to 40-50% off in some reports from farmers), we urge the USDA-ERS to immediately organize a “deep dive” study into the why behind the changing marketplace. Farmers need good information to make good decisions. A timely analysis of the reasons behind the data will be important for BFRs to consider as they navigate the changing markets in the next several critical years. We recommend that USDA-ERS consider a focus on 3 or 4 key regions where direct sales are reported to be declining and engage a study to consider the factors driving these changes.

Note: In the view of the Advisory Committee, it would be advisable to engage farmers to take part in data collection among peers and remunerate them for their assistance.

Additional information on this recommendation includes the following:

- It does not require statutory or regulatory change.
- The costs of the study should be covered by existing funding to USDA-ERS. If special allocation is needed, then USDA should look to prioritize a reallocation of funding internally to make the study a priority in 2018.
- USDA should consider engaging academia and/or news outlets who are studying or reporting on these trends in the changing marketplace for direct sales.

Recommendation 15:

We recommend that the USDA double the Food Insecurity Nutrition Incentive Grant program to \$200 million in FYs 2019-2023. This program has a proven track record of increasing the food security of households on low-incomes while boosting the farm revenue of direct to consumer sales for beginning farmers and ranchers.

Background:

The Food Insecurity Nutrition Incentive Grant program has a proven track record of increasing the food security of households on low-incomes while boosting the farm revenue of direct to consumer sales for beginning farmers and ranchers.

In 2015, the USDA-ERS reported: “Based on the success of pilot programs, the new Food Insecurity Nutrition Incentive Grant program (FINI - Sec. 4208) offers grants to fund programs (e.g., coupons and vouchers) that incentivize increased consumption of fruits and vegetables among SNAP participants, with priority given to projects involving DTC marketing channels and other locally and regionally marketed food. **According to a recent study by USDA’s Food and Nutrition Service, low-income survey respondents who knew that some farmers’ markets provided incentives for those using EBT were 40 times more likely to shop at farmers’ markets** (Karakus et al., 2014). Congress provided a total of \$100 million in mandatory funding over FYs 2014-18, and authorized an additional \$5 million to be allocated in annual appropriations.” (See page 53 in *“Trends in US Local and Regional Food Systems: Report to Congress”* issued by the USDA-ERS (Admin Publication No. 068, January 2015),

This growth in the FINI program led to significant increased sales to farmers who sell direct to consumer, particularly through programs such as ‘double up bucks’ which provide \$2 value to families for every \$1 spent using SNAP benefits. The farmers retain the \$2 of revenue. SNAP sales at farmers markets, according to the USDA-ERS study, grew tenfold over the decade from just over \$2 million in 2004 to over \$20 million in 2013. Given the import of the direct to consumer markets for beginning farmers and ranchers, as an entry point and a risk management strategy for staying in business, this program is an important way for USDA to support BFRs and people with food insecurity.

Additional information on this recommendation includes the following:

- Congress needs to act to renew and increase mandatory funding for FINI within the next Farm Bill . USDA can opt, based on results to date, to reallocate funding internally towards doubling FINI.
- USDA should work with states and the network of community based organizations working on food insecurity and farmers markets to expand this successful program.

Recommendation 16:

We recommend that the USDA require land grant colleges and universities, that receive federal funds for agriculture, to assess current procurement in 2018 from BFRs, military vets, socially-disadv farmers, and small and medium farms, and to set procurement policies that lead to a doubling of procurement from these sources within five years, and so that the total average procurement across Land Grant universities by the fifth year is 20% of their food from beginning farmers and ranchers, military veterans, socially disadvantaged farmers and small and medium sized farmers within 300 miles of their locations.

Background:

Collectively colleges and universities spend \$5 billion annually on food. In California, the most agriculturally productive state in the US, the California State University (CSU) system spend \$100 million on food annually, but only about 2% of those funds go to local-small and -midsize farmers. This snapshot lends an indication of what institutional purchasing looks like across the US. There is great opportunity for local/regional small to midsize farmers to access \$25 million or 20% food purchases within the CSU system since the passing of the CSU Sustainability Food Policy in 2014. In addition to economic opportunity, there are various impacts that help farmer operations flourish. These impacts include:

- **Anchoring a new distribution area**
Universities can provide the minimum volume needed in order to send a delivery truck to a new area, which then allows the vendor to gain other business in that area and further expand their market.
- **Anchoring a new business**
A university can provide an initial investment that allows a new operation to get started
- **Anchoring a new distribution system**
Universities can provide the minimum volume needed in order for a vendor to get into distribution with a national distributor, allowing the vendor to gain other business in new areas
- **Addressing cyclical demand in the company's market**
Because the university has different seasons and utilizes different products than other markets, selling to the university can allow a company to maintain a steady and full market.

- **Marketing for education purposes and building a customer base**

Because universities serve food to thousands of students as well as faculty and staff, they can provide an opportunity for vendors to market their product to a wide audience who may continue to purchase their product beyond the campus.

Recommendations from the Partnerships Subgroup:

Recommendation 17:

We recommend that USDA-FSA evaluate, renew and expand upon its first two rounds of cooperative agreements with Community Based Organizations (CBOs) as a means to reach beginning farmers and ranchers.

Background:

- In September 2015, the U.S. Department of Agriculture (USDA) announced that \$2.5 million would be made available from the Farm Service Agency (FSA) for projects to educate new and underserved farmers about the more than 20 FSA programs that can provide financial, disaster or technical assistance.
- The grants were awarded to nonprofits and public higher education institutions that develop proposals on topics such as financial training, value-added production, recordkeeping, property inheritance and crop production practices. FSA conducted the first of two evaluation periods last winter and announced 55 awardees in 28 States. Awards between \$20,000 and \$75,000 per applicant were made available.
- For this second evaluation period that ended July 11, 2016, FSA reviewed 123 proposals that requested \$9.8 million in funding. FSA announced 46 awardees in 25 States. Awards between \$25,000 and \$99,999 per proposal were approved.
- Beginning farmers and ranchers (BFRs) need access to FSA products but are often not aware of the loan and training opportunities available to them.
- FSA cooperative agreements piloted in the past three years with CBOs extend the reach of FSA loan products and approved borrower training, reaching increasingly diverse BFRs who had not been exposed to microloans and other FSA products.
- CBOs focused on BFR training report very successful outreach under the first two rounds of cooperative agreements with FSA. FSA should complete a full evaluation of its first rounds to determine where its cooperative agreements were most effective and how to improve future rounds.
- This requires no statutory or regulatory change.

Recommendation 18:

USDA should institute a Memorandum of Understanding (MOU) framework for recognizing Community-Based Organizations (CBOs) that exhibit high standards, best practices, and demonstrated success in reaching and assisting BFRs to develop viable farm businesses.

Background:

- The purpose of the MOU framework is to encourage, identify, and promote high-performing CBOs; to facilitate support of the CBOs; encourage effective use of USDA resources; and to facilitate assistance-seeking efforts of BFRs.
- An example of an MOU might look like the following and establish criteria that may include a threshold of years of services to/with USDA programs and services or identified community stated in this MOU and/or a signed Congressional letter of support and acknowledgement.

Agreement period: 10/01/2017 to 09/30/2018

Financial Obligation: \$0

Purpose of Agreement:

CBO: To assist and guide one on one in the development of socially disadvantaged farmers and ranchers of color or otherwise to accessing USDA programs and services.

USDA/OAO: To refer socially disadvantaged farmers and ranchers of colors or otherwise to work with local and national community based organizations (CBO) as to gain full access to USDA programs and services in the development and growth of their farm business.

This MOU serve to:

- 1. Grow and increase the number of socially disadvantaged farmers and ranchers who can better access and or utilize the resource and services of the USDA and otherwise*
- 2. Grow and or gain acknowledge of resources and services necessary to sustain or grow their farm and or ranch business.*
- 3. Eliminate and prevent any cultural barriers.*
- 4. Eliminate and prevent any language proficiencies (LEP) requirements*
- 5. Eliminate and increase access to targeted USDA programs and services*
- 6. Assist socially disadvantaged farmers and ranchers outside of normal (8am-5pm) work hours.*
- 7. Outreach with the community of new and beginning farmers and ranchers at special community events (Church, family gatherings, etc).*
- 8. Outreach at traditional and non traditional opportunity and media (social media, radio,, television, newsprint, etc.).*
- 9. Increase more application and more funded with USDA programs and services*

10. *More conversations and community sharing of USDA / CBO of programs and services*
11. *Eliminate and prevent misunderstanding of USDA/CBO programs and services*
12. *Increase, promote, identify and develop other areas of need for socially disadvantaged farmers and ranchers on their farm and ranch business that utilizes and is appropriate for the farmers and ranchers*
13. *When there is success, communication and assistance that is culturally and linguistically appropriate with programs and services available, farmers and ranchers will share and increase from the grassroots to USDA leadership.*

Recommendation 19:

We recommend that USDA increase training for and reporting from 1890 University Liaison Officers (who work with the USDA Office of Advocacy and Outreach) to prepare them to address the needs of BFRs in their communities.

Background:

- There needs to be more clarity and definition around the role of the Liaison Officer. We recommend that USDA focus on definition of BFRs and greatest needs/barriers of BFRs. Furthermore, Liaison officers should provide a formal introduction and overview of responsibilities of both USDA and cooperating CBOs.
- We recommend that USDA add a requirement for Liaison Officer to provide very simple reporting on: Outreach to BFRs; Received inquiries/comments/needs; and Identified needs.

Recommendation 20:

We recommend that USDA establishes and allocate a funding category for minor or emergent crops to promote research and development activities that would expand the knowledge base and information for new crops which could enhance the successful adoption and economic viability of new and beginning farmers across the United States.

Background:

- The success of beginning farmers and ranchers depend on diversification and their capacity to produce and market high value specialty crops and on their ability to manage the risks associated with these new crops.

- In California, there are several new crops being introduced but their expansion is limited because there is limited information on the production and handling of these crops.
- These crops are commonly grown by small scale farmers to fill specific market niches and even though they are produced on a commercial scale, the production volume is not large enough, the supporting infrastructure is lacking and growers do not have the organizational support or skills needed to succeed attracting research funds though programs such as the USDA's specialty crops block grants and similar funding programs.
- Therefore the lack of funding to conduct research and education hinders the development of new information to support the growth and expansion of these emergent crops to help small scale growers remain economically viable.
- Farming is a global practice. The United States has been the leader in the diversity of people, new immigrants and refugees. Along with people they bring new crops from their homeland to celebrated, cultivated, shared and pass on at various markets. at this the BFRAC recommends that funding to track, identify, promote and maintain records to celebrate the people, their culture, customs, use consumption and its compatibility with other established native crops, soil type, herbicides and pesticide applications and at times new plant and animal disease that may affect others, plants, animals and other humans.

Advisory Committee on Beginning Farmers and Ranchers
Current Members 2016-2018

Emily Best, Farmer/Rancher (Co-Chair)

- Pennsylvania
- General Manager, Tuscarora Organic Growers Cooperative.
- M.A. American University, Global Environmental Politics; B.A. University of Pittsburgh
- Volunteer, National Young Farmers Coalition; Member, National Farmers Union; Member, Fresh Farm Markets

Thomas Spaulding, President (Co-Chair)

- Illinois
- President, Angelic Organics Association
- M.A. International Relations, George Washington University
- B.A., Liberal Studies, University of California (SB)
- Working at Angelic Organics association since 1998
- Past experience includes: working for the United Nations in Costa Rica and New York
- In 2011 was contracted to start an extensive organic vegetable operation on 1,000 acre property in the district of Carabobo in Venezuela
- First Co-chair and current Director of the Illinois Local Food Farms and Jobs Council in the state of Illinois (appointed by the Governor)

J.D Booker, Farmer/Rancher

- Alabama
- Owner, the Booker Farm
- Attended Miracosta College, Los Angeles City College
- Member, Madison County Co-op
- Member of Madison County Co-op; Disabled American Veterans; Veterans of Foreign Wars; Vietnam Veterans of America

Katherine Danner, Farmer, Vice President

- Illinois
- Vice President, Longley Farms Inc.
- Associates of Science, Agriculture Black Hawk College East Campus, Iowa State University Bachelor of Science Agronomy, Environmental Studies, Farm Management
- Illinois U.S Senator Mark Kirk Agricultural Advisory Committee; National Cornrowers Association; Illinois Bean Association

David Hanson, Farmer/Rancher

- Minnesota
- Veteran Service Officer, Faribault County; Owner, Farmland; Adjunct Professor Minnesota State University

- Worked with Congressman Tim Walz` for the inclusion of veterans to the USDA Beginning Farmers and Ranchers Program; Worked with Congressman Tim Walz` and Senator Amy Klobuchar (MN) and staff on veteran and agriculture related issues
- Bachelor of Science Business Administration, Minnesota State University; Associates of Applied Science, Civil Engineering and Construction Engineering, Hawkeye Technical Institute, Waterloo, IA
- Minnesota Association of Veterans Service Officers liaison; 2nd District Chairman for Legionville

Guido Riccardo Frosini, Farmer/Rancher Owner Operator

- California
- True Grass Farms Owner/Operator
- Attended Bolany Santa Rosa Jr. College; University of San Francisco; Solar Institute of Mendocino County; UC Davis Veterinary School for special training courses in animal husbandry; experience with multicultural farming venues; fluent in several languages
- Family farm and ranch experience 1300 acre ranch; full farm management on cattle ranch producing Wagyu (Kobe) full blood beef cattle; Blackwork pork; poultry; 50 head sheep; crops
- Industry member of CA and Marin County Farm Bureau and CA Cattlemen’s Association; North Bay Wool Growers; Marin Organics; CA Blueberry Association; Valley Ford Young Farmers Association; Estero Americano Preservation; California Wagyu Breeders Association
- Wide industrial participation makes him a solid representative for small/beginning livestock/crop producers

Rhonda Benton, Farmer/Rancher

- Alabama
- Owner, Rhema Ranch
- Facilitates Urban and Rural Agriculture Workshops and youth Entrepreneurial workshops in conjunction with Alabama A&M University Small Farms and Research Center, Tuskegee University, Auburn University, Alabama cooperative Extensive Services, USDA Farm Service Agency, and Rural Development
- Member of PIKE Farmers Board of Director-Farmers Market cooperative

Steven Chiang, Director

- Hawaii
- B.A. Advertising; M.B.A. Management
- Hawaii Foods Manufacturers Association Advisory Council
- Farming Consultant for small and beginning farmers for 10 years
- Director, Agribusiness Incubator Program Director, Go Farm Hawaii

Caleb Plyler, Farmer/Rancher

- Arkansas
- Owner of one of the largest Charolaise herd farms in Arkansas
- Bachelors, Agriculture Education Southern Arkansas University

- Masters in Agriculture, University of Arkansas Fayetteville
- Served as an Agriculture Education Teacher for 10 years
- Served on Arkansas Farm Bureau's Young Farmer and Rancher Board
- Awarded Young Farmer and Rancher Excellence in Agriculture award in 2012

Chukuo Thao, Executive Director

- California
- Executive Director, National Hmong American Farmers Inc.
- 2 years at Fresno City College; Certified Irrigation Specialist with California State Fresno
- Board Member/Advisory Committee for the following; Rural Coalition, National Family. Community Food Security Coalition, National Immigrant Farming Initiative, National Sustainable Agriculture Coalition, ACLU, Pacific Gas and Electric for California, Congressman Jim Costa Small Farm Advisory Committee, people of color working on write ups for the 2008 and 2014 Farm Bills

Javier Zamora, Farmer/Rancher

- California
- Owner, JSM Organics
- Board member Alba; Board member, Farm link; PVWMA Director
- FSA Monterey County advisory committee

Etaferahu Takele, Director

- California
- M.A., Economics, University of California, Riverside; M.S. Agricultural Economics, North Dakota State University; B.S. Economics, St. Olaf College Northfield, Minnesota
- Collaborates with: California Avocado Commission; California Avocado Society; California Citrus Research Board
- County Director Of University of California Cooperative Extension Riverside County; Statewide program review committee and CDFA and USDA technical reviewer for proposals; Committee of Women Agricultural Economists; Food alliance collaborator
- Agricultural Economist/County Director for UCCE Riverside County

James Hafer, Professor

- Montana
- B.S. Agricultural Education, East Texas State University; M.S Agricultural Education, Montana State University; Doctorate, Agricultural Education Texas-Tech University; Doctorate, Agricultural Leadership, Education, and Communication, Texas A&M University
- Facilitated the Lead21 Mission (USDA/CSREES LEAD21 Program), strategic direction, and future programing as related to indigenous participants interests
- Agricultural Ambassador Texas A&M University; Lifetime member-National FFA alumni association; National Association of College and teachers of Agriculture-Teaching award of merit

- Projects include; Montana Agricultural Safety Curriculum Development Initiative; Montana American Indian Youth Farm Safety Education Curriculum Initiative; USDA-NIFA-Beginning Farmers and Ranchers Development program
- Professor/program Chair Chief Dull Knife College Office of Land Grant Programs

Michael Faison, Founder

- Virginia
- A.B. Government, Harvard University; J.D., University of Virginia School of Law
- Founder of Milton's local, an all-natural meat company that markets and sells source identified, all natural beef and pork to wholesale accounts in Virginia, Maryland, and D.C; Managing Member Strategic Advisors LLC
- Virginia Agriculture Leaders Obtaining Results fellow; Board member, Tricycle Gardens
- Founder, Green Harvest Capital LLC D.B.A Milton's Local