

# **Agricultural Reclamation Act**

A Roadmap To Sound Agricultural Policies Written By Oregon's Family Farmers And Ranchers





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Farmers and ranchers deserve the right to produce and provide the type of goods that benefit their farms and ranches, as well as our individual and shared communities. It is time that the policies and regulations coming from our public officials and state agencies reflect these principles.

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## The Agricultural Reclamation Act

It has been five years since Friends of Family Farmers (FoFF) published the original Agricultural Reclamation Act (ARA) in early 2010. Developed through listening sessions, discussions, and democratic participation among hundreds of farmers and ranchers across Oregon, it outlines a vision for food and agricultural policy based on family-scale farms and ranches, food security, rural economic viability and cultural connectivity. The ARA was written by farmers for farmers, eaters and policy-makers, and it drives the advocacy and grassroots efforts of Friends of Family Farmers.

When first created, the ARA was envisioned to be a 'living' document that would be updated as Priority Action Items were accomplished and as Oregon farmers and ranchers refined or identified new priority issues over time. Through listening sessions that gather input and perspectives directly from Oregon's socially responsible farmers and ranchers, FoFF has continued to refine the issues and action items laid out in the ARA.

In preparing this updated version of the Agricultural Reclamation Act, Friends of Family Farmers staff visited twenty-five farming communities across Oregon in 2014. We traveled nearly 3,000 miles, met with hundreds of producers, collected over two hundred written surveys from farmers and ranchers around the state, and deepened our relationships with Oregon farming and ranching communities and with numerous partner organizations.

In many ways, the 2014 Farmer/Rancher Listening Session Tour confirmed that despite some significant victories in recent years, many of the challenges and Priority Action Items identified in the ARA still hold true. In the document ahead, we have removed or modified certain Priority Action Items because we were able to pass legislation or reached another solution that addressed some or all of the issues at hand. In other cases, we have added new action items to reflect pressing issues that have emerged more recently.

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One of the key findings of the 2014 Listening Session Tour was that farmers and ranchers believe Oregon and Friends of Family Farmers should continue to prioritize efforts to establish scale-appropriate policy at the state level, continue to address barriers for new and beginning farmers, address financing and credit barriers for farmers of all experience levels, work to increase transparency in our food supply, and engage in consumer education.

#### Major Agricultural Reclamation Act Accomplishments

Policy proposals identified in the Agricultural Reclamation Act were debated by state legislators in Salem in both the 2011 and 2013 Legislative Sessions. Major accomplishments included:

- Passage of the Farm Direct Bill in 2011 to clarify farmers market rules and expand economic opportunities for direct market growers
- Passage of 1000-bird poultry exemption legislation in 2011 and 2013 to cut red tape for small scale producers by recognizing federal exemptions for on-farm poultry slaughter and sales
- Creation of Oregon's Beginning and Expanding Farmer Loan Program, aka Aggie Bonds, in 2013 to reduce interest rates for farmland ownership and equipment loans for first-time and smaller farmers
- Funding and expansion of Oregon's Farm-to-School Program in 2011 and 2013
- Use of federal Specialty Crop Block Grant money by the Oregon Department of Agriculture to support local food system work including farmers market development,
   Community Supported Agriculture, and local food businesses. The agency has also developed web-based resources for beginning farmers in Oregon
- Addition of representatives of smaller and mid-sized farms engaged in direct market agriculture to the membership Oregon Board of Agriculture, which advises the Oregon Department of Agriculture

Despite these areas of progress, many challenges for family-scale farmers and ranchers in Oregon remain and are outlined in the following pages. The list below identifies the top themes from FoFF's extensive 2014 Listening Session Tour and areas of particular concern for Oregon's socially responsible farmers and ranchers:

- Clearer rules for farms that incorporate agritourism into their business models, including protection from unreasonable lawsuits and high insurance costs
- Protecting farmland and keeping working lands in production for future generations through the strategic use and holding of working lands easements
- Supporting the next generation of farmers to be on the land
- Implementing safeguards for farmers concerned about the potential for harmful impacts from genetically engineered crops
- Expanding small farm insurance and savings options
- Addressing concerns over the federal Food Safety Modernization Act (FSMA), including reducing the compliance costs for small and mid-sized farms.

The processes for developing the original Agricultural Reclamation Act and for updating it based on new challenges and opportunities demonstrate the collective strength of Oregon's independent family farmers and ranchers. The ARA has connected communities across our vast and diverse state and motivated citizens to begin to make change in their communities. With all of these constructive citizen efforts, as well as strong collaboration between state agencies, decision-makers and the family farmers and ranchers of Oregon, we can shape a strong future for agriculture in this state.







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## Socially Responsible Family Farmers & Ranchers

For the purposes of this document, the family farmers and ranchers represented here identify with and are defined by many, or all, of the following attributes:

- They are actively farming or ranching at a scale that is appropriate to their land and family unit
- The primary producer is, or is working towards, obtaining the majority of their livelihood from the land, while taking on the majority of the financial risk
- The family unit is making all of the management and operational decisions, and the primary farmer is involved in the daily running of the business
- The family unit is providing the majority of the labor; if outside labor is needed, the farm provides fair wages and good working conditions
- The farm, ranch, and related business, is embedded in their community
- The farm or ranch is substantially contributing to their local and regional economies
- The agricultural practices performed on their land are humane and ecologically sound, providing animals with a high quality of life while enhancing the soil, air, water and wildlife
- The family farming operation evolves to accommodate each new generation of farmers
- Diversity and resilience are represented through a variety of plant/animal genetics, farm products and the agricultural ecosystem
- The farm and ranch products are qualitatively differentiated based on flavor, nutrition, production methods and geographic location
- The status quo is not typically working in their interest, and they do not feel well represented within the current agri-political system

## **Food Systems**

**Local and Regional Food Systems:** Denotes a food system where food is produced, processed, distributed and sold within a certain geographical area. These systems are based on deep relationships between farmers and consumers and aim to circulate money and create jobs within the region.

Industrial Agriculture: A system in the farming sector where the primary goal is to increase yield and decrease costs of production, usually by exploiting economies of scale at the expense of other values like animal welfare, water quality, and public health. This has resulted in decreasing farm numbers and has forced remaining farms to become appreciably larger, more mechanized, chemical-intensive and dependent. Such farms may specialize in a few commodities and may have to enter into contractual relationships with processors because of vertical integration.

\*These two definitions are based on Farm Aid's report "Rebuilding America's Economy with Family Farm-Centered Food Systems" (June, 2010) and the Union of Concerned Scientists website, <a href="www.ucsusa.org">www.ucsusa.org</a> (June, 2010).

## Preamble

The family farms and ranches of Oregon represent a diversity and strength as varied as the landscape they inhabit. It is this diversity that drives our rural economies and offers our citizens real food security. As Oregonians, we are profoundly connected to the land we work and the products that spring from that union.

We believe that good, healthful food should be equally accessible to all people. Furthermore, we deserve the right to produce and provide the type of goods that benefit our farms and ranches, as well as our individual and shared communities. It is time that the policies and regulations coming from our public officials and state agencies reflect these principles.

The current emphasis on supporting the industrial food production model threatens agricultural continuity and undermines our regional economic security. Consolidation of our food sources will lead to the further degradation of our state's economy and social structure if left unchecked. We ask for strong, coordinated representation at the state level, access to policy-makers, and honest accountability for those actions that powerfully affect our day-to-day lives.

As the future of agriculture in Oregon, we recognize that the responsibility lies on our shoulders to ensure our collective voice is heard and that our wisdom is honored. We owe it to future generations to be vigilant, so that they may advance the values and ethics vital to a lifetime of working the land.

## Meat & Poultry



In Oregon, where there were once many slaughter and processing facilities, processors are now larger and fewer in number. This has consolidated market power and impedes farmers' and ranchers' ability to get their products to retail markets. As such, marketplace demands for responsibly raised meats and poultry are not being met. In addition, food safety regulations for meat and poultry are based on an industrial model that often fails to address the needs of family-scale farms and ranches.

#### **Current Situation**

- A profound lack of USDA-certified slaughter and processing facilities in several parts of Oregon results in:
  - o Limited facility access, especially at busy times of the year
  - o Prohibitive costs when necessary to travel great distance to access facilities
  - o Increased animal stress involved with long-distance travel, decreasing the quality of the product and quality of life for the animals
  - o Increased risk to producers when basing business decisions on access to only one processing facility that is at capacity
  - **o** Decreased ability to expand business when it is not possible to increase quantity and diversity of animals delivered to market
  - A lack of retail possibilities for local livestock producers to connect with consumers
- Other states are working with producers to open up new processing and marketing possibilities, potentially putting Oregon producers at a competitive disadvantage
- There are no rendering facilities in Oregon, limiting carcass as well as offal disposal options and the ability of new processing facilities to open

- The needs of family-scale meat/poultry slaughter and processing differ from the industrial model and are often not being met by the current system:
  - Most meat and poultry infrastructure is set up for commodity production, limiting direct to consumer and local retail marketing potential
  - o Infrastructure development for certified on-farm slaughter/processing facilities is cost prohibitive, and only serves one farm instead of the community
  - o Food safety rules and regulations around slaughter and processing are designed to manage industrial food production and are typically not relevant or effective for smaller or diverse producers

#### For State Attention:

- 1. Assist with the expansion of appropriate infrastructure and the ability for Oregon producers to capitalize on local opportunities:
- Help fund and assist custom-exempt shops to convert to USDA standards
- Provide grants and other assistance for mobile-meat and poultry processing units, both USDA and custom/1000 bird exempt
- Develop rules allowing small-scale rabbit producers to sell retail
- Re-open Oregon State University's USDA processing facility in Corvallis for use by local producers and butcher training
- Recognize federal 1000-bird exemption for on-farm poultry slaughter, processing and sales adopted through legislation in 2011 and 2013
- 2. Re-establish or facilitate the development of rendering facilities and/or other offal disposal possibilities for smaller-scale meat processing facilities

#### For Federal Attention:

- 1. Amend processing regulatory system to be results-based and scale-appropriate for local communities:
- Use animals per acre nutrient load to determine appropriate numbers for on-farm production, processing, disposal and food safety measures
- Allow certified third-party inspection for on-farm slaughter and fixed processing facilities that results in the ability to sell retail for large animals

## Milk & Dairy



Unfettered access to a wide spectrum of local dairy products in Oregon is severely limited despite the recent groundswell in demand. Current regulations inhibit the face-to-face relationships consumers are asking for while limiting producers' abilities to meet the dairy needs of their communities. Milk, because it is undervalued on the commodity market, creates economic instability for farmers and limits the potential for new producers to recoup the high costs of entrance into dairy production.

#### **Current Situation**

- The cost of entry to licensed dairy production severely limits the ability of new farmers to become a legal entity, discouraging many from taking the risk and threatening the continuity of family dairies in Oregon
- Industrial dairies flood the market with milk, adversely influencing prices received by all farmers, undervaluing milk and other dairy products
- The recent trend toward small-scale, community dairies requires new regulations and technical assistance services that are applicable to these enterprises and the non-conventional dairy products they produce:
  - o Blanket regulations hinder face-to-face relationships between customers and producers that are based on respect, honesty and trust
  - o Without any food safety infrastructure inclusive to the small producer, farmers will either be shut out of the market or choose to operate outside of regulations, creating myriad problems for the industry and consumers
- Demand for raw milk is not being met under the three cow/nine goat exemption currently in place in the state of Oregon:
  - o Specific education and training for raw milk safety inspections and the continuing education of inspectors is needed to ensure both consumer food safety and viable markets for these alternative products

 Laws that prohibit advertising legal raw milk for sale violate the rights of Oregon farmers and consumers

- 1. Legalize greater access to raw milk with a testing and inspection program:
- Expand the current three cow/nine goat exemption for raw milk sales
- Enact a voluntary testing program for interested farmers
- Allow farmers to advertise raw milk available for sale on their farms
- Expand ability of Oregon producers to sell tested and inspected raw milk in retail establishments
- 2. Help create cooperative community dairy possibilities including:
- Assistance in transitioning to organic and/or pasture-based systems
- Assistance for new and young dairy farmers
- New marketing and supply cooperatives
- Farmer mentors
- 3. Provide state incentives that are geared toward federal grant programs to provide matching funds and technical assistance for smaller, diverse dairies producing a variety of products

# Rules, Regulations, & Food Safety



In an effort to meet the food safety needs of the public, rules and regulations have largely been created based on a food system dominated by large-scale growers and processors. A one-size-fits-all system of rules and regulations for food safety policy threatens the viability of family-scale farms and ranches. Oregon agriculture needs a regulatory system that encourages entrepreneurial ingenuity and does not limit business start-up and expansion opportunities. While progress has been made with the passage of Oregon's Farm Direct Bill and the 1000-bird exemption in 2011, removing additional roadblocks that hinder direct farmer/rancher-to-consumer relationships will lead to broader economic prosperity for producers who are creating healthy and clean products.

#### **Current Situation**

- Rules and regulations are reactive and crippling instead of proactive and supportive:
  - Food safety regulations are moving in a direction where products are seen as unsafe until proven otherwise, instead of safe until reason for concern
  - Restrictive and ineffective food safety regulations have driven some producers underground or out of business
  - O Consumer demand for meat, poultry, dairy, and other value-added products, raised by farmers they know and trust is not being met, which sends money and agricultural growth potential out of local economies
  - Smaller producers face unreasonably high costs for regulatory compliance, leaving a thin margin for survivability
- Family-scale farms and ranches are often subject to the same regulations required of industrial style farms despite a unique set of needs and circumstances:
  - o The difference in scale between operations results in different production, distribution and marketing methods, creating the need for different rules, regulations and food safety measures

- Standardized regulatory systems, like the Food Safety Modernization Act, that do not adequately address varying scales of production and local distribution networks:
  - o Restrict local markets
  - Skew the playing field toward industrial models of production
  - o Hinder diverse, integrated systems
  - o Interfere with the relationships between producers and consumers
  - Make it difficult to get locally-produced food from our farms and ranches to the people who want it
- Thus far, market-damaging food-borne illness outbreaks, with few exceptions, have consistently come from industrial food production, and not family-scale farms and ranches:
  - o Farmers, ranchers and processors are willing to be tested for food safety, in a way that is effective, reasonable and appropriate for their operation
  - **o** There is a qualitative difference between those products being sold in local markets and those being sold in the commodity market
  - o Transparency and accountability are part of doing business locally
  - Individual consumers and communities have a role to play in discerning what is safe and good for them

- 1. Enact a scale-appropriate regulatory system that is functional for diverse, integrated systems and direct marketing:
- Work with local producers and farmers market managers to create sensible, functional, and effective food safety policies
- Create exemptions for low-hazard foods and small batch production adopted through legislation in 2011.
- 2. Give individuals and communities the right to know and choose how their food is produced and what they are willing to buy:
- Create a legal framework for personal or family exemptions that allow consumers to enter into relationships with producers of their choice to get the products they want
- Enact simple and clear product labeling guidelines for informed decision-making
- 3. Provide technical expertise, funding and training to assist small and mid-sized producers in complying with the requirements of the Food Safety Modernization Act

## Regional Food System Infrastructure & Markets



Growing public interest in, and demand for, locally and responsibly produced food has encouraged many family farms to diversify their businesses and serve local markets. However, regional food systems look and function differently than the industrial models now in place. The consolidation of processing and distribution has decimated infrastructure and markets that once served independent farmers, ranchers and their communities. Support is needed to regenerate these vital pieces of our regional food system.

#### **Current Situation**

- Our current food production and distribution system is concentrated in the hands of a few, large operations which are unable to meet the needs of all consumers:
  - **o** Local, diverse systems are more flexible and have greater resilience to outside forces, leading to increased stability and security
  - Money spent supporting local farms and ranches has a multiplier effect as money circulates through and stays in local communities
- Local/regional processing, value-added, and distribution infrastructure to serve independent farmers, ranchers, food buyers, and their communities is lacking:
  - o Access to regional processing facilities across all agricultural sectors is limited
  - o Cost of developing processing, storage and distribution infrastructure is high
- More support for local and regional market development is needed:
  - o It is challenging for producers to find pathways for institutional sales and is not easy for Oregon producers to access large retail and wholesale accounts
  - o It can be difficult for retailers to source from diverse local producers
  - o Many niches go unfilled
- Developing regional food systems can strengthen Oregon's agricultural diversity and contribute to food safety, food security and reaching common goals:
  - o A strong regional food system will make nutritious food more accessible, can

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- help prevent hunger and obesity, and increase our capacity to feed ourselves • A regional system of production, transportation and distribution could lower
- agriculture's carbon footprint, as food miles travelled are dramatically increased in industrial production and distribution systems
- Regions within Oregon are getting more and more dependent on the image they portray. The cultural characteristics of a region become a framework for economic development and consumers are showing more and more interest in regional identity:
  - Regional production of agricultural goods and services can add to rural economic development and local food security

- 1. Public investment, grants or incentives for regional food system projects such as:
- Certified commercial community kitchens, grain processing & storage facilities, meat slaughter & processing facilities, transportation & distribution centers, farmers markets, micro-processing facilities, and business expansion opportunities within the local food and agricultural sectors
- 2. Expand Oregon State University's Center for Small Farms and Community Food Systems:
- Increase regional small farm/local food system Extension programs and staffing to assist local producers with educational needs and technical expertise
- 3. Establish ways for local farms to more easily sell to regional retailers, grocery stores and restaurants, as well as institutions such as hospitals, government agencies, schools and universities:
- Enact state-supported incentives and policies that encourage local food purchasing by state and local institutions as well as retail or wholesale customers
- Expand Oregon's Farm to School program, and assist local producers in accessing it
- Assist in the establishment of cooperatives and networks for local purchasing
- Fight trade agreements that penalize governmental bodies for enacting and investing in buy-local or farm to school programs
- 4. Create tax incentives to increase private investment in regional food systems:
- Promote Oregon food grown by family farms via marketing campaigns
- Incentivize the use of underutilized warehouses for processing facilities, storage, distribution, and indoor markets

## Farm & Land Viability



With the consolidation and industrialization of agriculture, the undervaluing of farm work, high prices for land, and ever increasing operating costs, the future of family-scale agriculture in Oregon is jeopardized. Urban and suburban development continues to eliminate valuable land resources devoted to cultivation. Water resources are becoming more scarce in many corners of the state. Lax oversight over genetically engineered seeds and crops has increased economic risk for many farmers. These and other dangerous components threaten to monopolize and outsource control of our food and seed supply while harming rural economies and putting the viability of family farms at risk.

#### **Current Situation**

- Vertical integration and thin profit margins have forced farmers to 'get big or get out':
  - o Smaller producers often cannot compete in the consolidated marketplace
  - Family farms and ranches have been forced to incorporate into larger, consolidated enterprises
  - o The high cost of entry and absence of affordable lending for many farm businesses have made entry into family-scale agriculture very difficult
- Farms need a well-trained and reliable workforce and the ability to pay higher wages:
  - o Lack of farm education programs and fair pay leads to an absence of interested young workers despite labor shortages in the agricultural sector
  - o Difficult to access farm-learning internships and apprenticeship programs that prepare one for employer-employee relationships and farm ownership
  - o Thin margins for farm businesses means that high labor costs can be crippling
- Farmers face many economic challenges that skew the marketplace:
  - o Subsidies for factory farms and industrial agriculture have manipulated the true cost of food, minimizing the farm and ranch share of food spending
  - o Cost of day-to-day operations can exceed price received for product
  - Farmers continue to earn a wage that is not representative of the role they play in food security and public health
  - o Land prices make it difficult to carry a mortgage and run a farm business
  - o Traditional lending institutions largely avoid farmers; and farm lending and crop insurance for non-commodity growers and operators is limited

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- Growing to the next level is challenging for producers with licensing fees, employment laws, food safety rules and regulations, and a lack of infrastructure to support them
- Oregon lacks a comprehensive economic development strategy to support small and mid-sized farms and help the next generation find access to land, education, resources and training:
  - State economic development agencies focus far more on promoting agricultural commodity exports internationally than they do on supporting local and regional food systems and agriculture
- Farmers and ranchers desire to keep land in agricultural production, out of corporate control and free from development pressures that drive up the cost of farmland and take farmland out of production
- Farms trying to meet regional demand for grains and beans have limited or no access to necessary grain/bean harvesting, handling, cleaning and storage infrastructure:
  - Grains often come from other regions or countries, circumventing local agricultural economies and de-stabilizing supply, despite increasing demand
- Agritourism is a growing sector that is helping many farms diversify their operations, but Oregon's agritourism rules lack clarity, and insurance options for these activities can be cost-prohibitive and limited:
  - Insurance companies charge high rates for various agritourism activities or simply do not cover them
  - o Oregon farmers need clear protections from legal liability and lawsuits when welcoming the public onto their farms for agritourism activities
  - Oregon lacks an agritourism promotion strategy or proactive approach to ensuring agritourism does not conflict with land use rules or farming activities
- Water quantity and quality in many parts of Oregon is diminishing, posing a threat to the viability of some types of agriculture:
  - o Oregon needs a comprehensive water conservation strategy to ensure water conservation where it is needed the most
  - o Incentives are needed to help farmers adopt water and fish conservation measures including: planting riparian vegetation, switching to more efficient irrigation systems, preventing harm to native fish populations, and growing less water-intensive crops

- Need for stronger oversight of genetically modified (GMO) seeds, crops and food:
  - o Cross-pollination creates potential for seed and food supply contamination, threatening non-GMO producers with loss of sales and markets, or litigation
  - o Monopolized seed sources threaten food security through consolidation of genetics, reduction in seed variety, and manipulation of seed viability
  - o GMO crops threaten diversity in agriculture, leaving industry open to potential damage from pests, diseases, herbicide resistant weeds, and drought
  - o Transparency in labeling and use of GMO technology is not required even though GMOs are rejected by many markets for Oregon producers

- 1. Establish a statewide economic development strategy to support small and midsized farms and local food systems in Oregon:
- Increase access to state grants, loans, credit and funding for small and mid-sized farms and local food business start-up, expansion and improvements
- Increase access to credit and insurance for specialty crop or non-commodity food production, as well as direct and other alternative market channels
- Establish a state-supported loan fund and Individual Development Accounts (IDAs) for land/equipment purchases, farm/ranch infrastructure, and marketing
- 2. Protect existing farmland and the viability of farms, while providing new economic opportunities:
- Establish practical working lands easements that are designed to protect farmland
- Examine the functionality of the 80/80 rule for protecting land from development
- Encourage the creation of Rural Reserves that protect farmland statewide
- Clarify agritourism rules and provide liability protection for agritourism activities
- Develop a state-wide water conservation strategy that incentivizes water and fish conservation efforts
- 3. Protect land and sensitive crops:
- Establish GMO-isolation requirements, control areas or other restrictions that ensure the viability of non-GMO, organic and seed crops
- Require labeling for informed decision-making, including true origin of products
- Require and fund statewide reporting, tracking and monitoring of pesticide use and GMOs while establishing a system of accountability and rules to prevent pesticide and pollen drift across property lines

## New & Young Farmers



As the average age of farmers rapidly approaches 60, 25-50% of Oregon's farmland is set to change hands in the next decade. Without appropriate steps taken, land currently in the hands of family farmers and ranchers could transfer to industrial agriculture or non-agricultural interests. This will severely affect how our food is produced, as well as the make-up of our rural communities and local economies. Immediate action is needed to ensure successful land transition and to assist new farmers and ranchers as they enter into agriculture.

#### **Current Situation**

- Despite the resurgence of interest in agriculture, the availability of land, resources and educational opportunities for new and young farmers and ranchers is limited:
  - o Though increasing, there are still too few practical farm education programs
  - **o** Legal farm internship programs are limited, giving many seasoned farmers pause before taking on the training of inexperienced individuals
  - Worker safety regulations are prohibitive for employing teenagers, limiting on-the-job training and intergenerational knowledge transfer
  - o State and local programs geared to assist new and young farmers and ranchers are early in their development or limited in scope
- Initial financing for land, infrastructure and equipment is very difficult to achieve:
  - o This used to be made possible by generational transfer or inheritance, but that is increasingly less often the case
  - o Many lenders will not finance farmland purchases or farm businesses
  - o As a first generation farmer or rancher in Oregon, one could face hundreds of thousands of dollars in land and start-up costs as well as high interest rates
  - Oregon has established a Beginning and Expanding Farmer Loan Program to facilitate lower interest rate lending for land and equipment purchases for beginning farmers, but it needs to be surrounded by a more comprehensive beginning farmer economic development strategy to be successful
- Farmers and ranchers need more assistance to adequately pass their land and businesses onto the next generation:
  - o Inheritance taxes challenge agricultural continuity
  - Thorough financial and succession planning is necessary to transfer agricultural land and businesses when all assets and security are tied to the land

- To the dismay of many agrarians, there seems to be a cultural stigmatism associated with making a living off the land as farmers and ranchers face hard work, long hours, and bad pay. However:
  - Direct marketing allows farmers and ranchers to receive a higher price for their products and the demand for food from local farmers is accelerating
  - o More farmers are needed to satisfy demand for locally produced goods
  - o There are countless young people lining up to learn how to farm

- 1. Establish state grants, low-interest rate loans and financial assistance as part of a focused effort to aid beginning and younger farmers and ranchers in Oregon:
- Establish a state-supported revolving loan fund and Individual Development Accounts (IDAs) that can be used for land purchase, farm or ranch infrastructure, and marketing needs
- Make state grants readily available to new and young farmers and ranchers, specifically for under-served populations and those practicing socially responsible agriculture
- Expand Oregon's Beginning and Expanding Farmer Loan Program (aka Aggie Bonds) to make the program more accessible to both lenders and farmers
- 2. Provide access to land for beginning farmers:
- Create tax incentives for land-holders to lease to new and young farmers
- Allow new farmers to access farm tax deferral benefits in one year instead of three years, if the land is being used for agricultural purposes
- Provide favorable treatment for urban farms in zoning decisions
- Provide access to publicly owned land for beginning farmers and farm incubator programs
- 3. Support farm-based education:
- Support and expand legal on-farm internships
- Reintroduce agriculture/land stewardship in all educational arenas, K-12+
- Establish farm schools and sustainable agriculture vocational programs
- Develop an agricultural curriculum that is hands-on and supports sustainable, socially responsible agriculture
- Continued state support for Farm to School and School Garden Programs
- State support for farm business incubator projects, in rural and urban areas
- Offer farm worker safety certification courses for minors in all counties
- 4. Increase funding for regional small farm/local food system Extension programs and staffing to assist beginning farmers with educational needs and technical expertise

# State Support, Clarity & Cooperation



Historically, the Oregon Department of Agriculture (ODA) has focused the majority of their resources on commodity production and opening up export markets. To the extent they have focused on agriculture at all, state economic development agencies have followed suit. Until recently, farmers and ranchers have seen few resources put towards the development of local and regional food systems, even though agency officials acknowledge the value of small to mid-sized, diversified family farms and ranches and their contribution to the state's economy, environment and social structure. Many smaller and mid-sized farmers and ranchers are asking for increased attention to their issues. They are asking the ODA and the Oregon Business Development Department (OBDD) shift more resources to match the unique needs of smaller and mid-sized farms and ranches that make up the majority of Oregon's agricultural land ownership, and who are an integral part of Oregon's agricultural community.

#### **Current Situation**

- The Oregon Department of Agriculture and state economic development agencies like the Oregon Business Development Department must recognize that:
  - o The small to mid-sized, diversified family farm and ranch is crucial to Oregon's agricultural identity and positively impacts local economies, communities and the environment
  - **o** Urban agriculture has tremendous potential and great value to our cities, our agricultural economy and food security
  - Farming, ranching and related enterprises, including farmers markets, are public resources and beneficial to Oregon in myriad ways
  - The image of Oregon agriculture that is often put forward is based on familyscale operations that have been the backbone of this state for generations, and this can continue with support and attention
- There is a need for infrastructure that supports diversified family farmers and ranchers by state agencies:
  - o ODA has directed federal Value Added Producer and Specialty Crop Block funds to activities to support local food systems and direct-market agriculture

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- O However, the state could increase its support for local agriculture by contributing additional resources to regional food systems and the family farmers and ranchers who operate in these sectors, particularly state economic development dollars
- o While state policies have been enacted to meet some of the needs of small to mid-sized, diversified family farms and ranches who operate differently than single crop commodity producers, the Legislature has not provide enough direction or significant enough resources to enable state agencies to encourage agricultural enterprises that serve local and regional markets
- O Nationally, agriculture has been subject to a "get big or get out" mentality. This mindset has created a glut of services and attention to large, conventional operations, leaving other farms and ranches without equal service
- o It is not uncommon for small farms to be referred to derogatorily as "hobby" or "lifestyle" farms and treated differently simply because farmers often need off-farm income when getting established or to meet tough economic challenges, like making loan payments or affording health insurance
- The Oregon Legislature has created some scale-appropriate regulations that have helped ODA better address the unique needs of smaller and mid-sized direct-market producers. Nonetheless:
  - o While progress has been made, the Oregon Board of Agriculture, the advisory board for the ODA, has limited representation for smaller and direct-market producers
  - o The agency has not been proactive in establishing policies to protect sensitive crops and markets where smaller and mid-sized farmers are at risk from pesticide or pollen drift

- 1. The Legislature and Governor should give the ODA and Oregon Business Development Department a directive to develop a comprehensive economic development strategy to assist small to mid-size farms and ranches that are serving local and direct markets:
- Establish a Small Farms and Ranches Division of the ODA that is guided by a Farmer and Rancher Advisory Committee to set up clear and consistent guidelines, rules and regulations for family-scale operations
- Increase representation on the Board of Agriculture from small to mid-sized farms and ranches who are involved with local markets

- Provide more technical and staff support for direct marketers, regional food system establishment and other under-served farming populations
- 2. Have ODA's Marketing Division and OBDD develop local and regional market strategies in addition to those focused on national and international markets:
- Establish a regional marketing plan for food that is grown and sold in Oregon and neighboring states
- Expand marketing opportunities, such as year-round farmers markets
- Develop strong policies and programs that support local agriculture
- Aid in establishing cooperatives for increased marketing opportunities
- Development of infrastructure for local food processing, storage, distribution and marketing
- 3. Train and educate agency officials and staff to provide:
- Consistent, reliable responses and interpretation of rules and regulations
- Understanding of federal, state and county jurisdictions
- Working knowledge of rules and regulations and how they affect all operations
- Cooperative, supportive, and helpful service
- A hotline for information
- Good models and examples of successful direct market and small to mid-scale farming operations and enterprises
- Access for minorities and under-served populations



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