

Written Testimony of Tim Fink

Vice President for Policy for American Farmland Trust

Before the House Subcommittee on Conservation, Research, and Biotechnology

“Supporting Farmers, Strengthening Conservation, Sustaining Working Lands”

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Chairman Lucas, Ranking Member Tokuda, and Members of the Subcommittee:

Thank you for giving American Farmland Trust (AFT) the opportunity to testify today on the role of USDA in safeguarding one of America’s most important natural assets—our rich and productive agricultural land. I am Tim Fink, Vice President of Policy for AFT.

AFT was formed in 1980 as the first and still only national conservation agriculture organization devoted specifically to stemming the loss of agricultural land. AFT is known for our policy advocacy, groundbreaking research, and innovative programing. We take a holistic approach to agriculture, focusing on the land itself, the agricultural practices used on that land, and the farmers and ranchers who do the work. We have a strong and longstanding partnership with USDA. Since 1994, AFT has operated the [Farmland Information Center \(FIC\)](#) in partnership with the Natural Resources Conservation Service. The FIC serves as the nation’s primary clearinghouse for information and data related to farmland retention and protection for landowners, producers, policymakers, and the public. Our “Farms Under Threat” and predecessor “Farming on the Edge” research series, also conducted in partnership with NRCS, are the nation’s foremost studies on agricultural land loss.

To build awareness of tools and voluntary approaches to saving farm and ranch land, AFT hosts the [National Agricultural Land Network](#), a network of over 1,500 public agencies, farm and conservation organizations, farmers, ranchers, and concerned citizens seeking to do more to reduce the loss of working lands in their states and communities. AFT also works directly with farmers, ranchers, and agricultural landowners, providing critical on-the-ground conservation and business technical assistance, assisting with farmland transition and access, and supporting landowners who choose to donate or sell agricultural conservation easements, including through the Agricultural Conservation Easement Program (ACEP) and the Regional Conservation Partnership Program (RCPP).

AMERICA’S AGRICULTURAL LAND IS A VITAL AND IRREPLACEABLE ASSET

For most of our nation’s existence, the federal government has viewed private working lands as a limitless asset. Federal programs and policies have supported – and even

subsidized – the conversion of some of America’s most productive agricultural land to cities, suburbs, industrial, and infrastructure development simply because this land has been the easiest and least expensive on which to build.

Unfortunately, this “limitless” asset is, in fact, limited. According to AFT’s *Farms Under Threat: The State of the States* report, in just the first 15 years of this century—a period with a slowdown in housing starts due to a recession—**11 million acres of productive farm ground were converted**. This includes nearly 7 million acres to low-density residential land use and 4.1 million acres to urban and highly developed land use. These 11 million acres are equal to all the U.S. farmland devoted to fruit, nut, and vegetable production in 2017—or **2,000 acres a day paved over, built up, and converted to uses that threaten the future of agriculture**.

Without policy changes, this alarming trajectory will continue, if not worsen. AFT’s *Farms Under Threat* modelling shows that the **U.S. is likely to lose another 18.4 million acres** of productive farm ground to development by 2040. And in some parts of the U.S., actual development over the past 9 years is already outpacing these predictions. In the Dallas-Fort Worth metro area, farmland and ranchland is being developed 49% faster than we anticipated, fueled by many of the same trends we are seeing across the U.S.—demand for housing, warehouses, data centers, and energy development. While solar is critical to meeting national energy needs, AFT’s *Farms Under Threat 2040* solar modeling projects that 83% of new solar development is expected to occur on farmland and ranchland, with almost half on America’s most productive land.

Continued conversion of this finite asset threatens our future food security and the viability of our agricultural sector. Farmland conversion limits opportunities for commodity and specialty crop growers alike and increases costs of production. Loss of productive cropland is driving conversion of marginal pasture and grassland to cropland, and foreclosing options for the next generation of producers.

AGRICULTURAL CONSERVATION EASEMENTS ARE AN ESSENTIAL TOOL IN PREVENTING FARMLAND LOSS AND SUPPORTING FARM AND RANCH VIABILITY

Federal programs supporting agricultural conservation easements like ACEP and RCPP are essential tools in stemming the loss of our productive agricultural land. ACEP’s Agricultural Land Easement (ALE) subprogram and RCPP are voluntary programs within USDA’s Natural Resources Conservation Service (NRCS) that provide funding for the purchase of perpetual agricultural conservation easements on working farms and ranches. ACEP-ALE is the only federal program dedicated specifically to the protection of agricultural land. RCPP has a broader resource protection mandate, which can include funding for the protection of both working and natural lands. The first federal investments in agricultural land protection were authorized in the 1996 Farm Bill through the Farmland Protection Program that provided

grants to state and local agricultural land protection programs. Since 1996, USDA has invested approximately \$2.2 billion in ACEP-ALE and predecessor programs¹, ensuring that more than [2.3 million acres](#) of productive farmland and ranchland will remain forever available for agricultural production.

It's important to understand exactly what an agricultural conservation easement is, and what it does and does not do. **An agricultural conservation easement:**

- Is a powerful tool for ensuring that agricultural land remains forever available for agricultural use. With an easement, a landowner voluntarily restricts some of the rights to the use of their land. In doing so, they are exercising their private property rights. While these restrictions can be tailored to meet the unique goals of the landowner, all agricultural conservation easements limit non-agricultural development in perpetuity and spell out allowable uses of the land.
- Can be donated or sold to a qualified entity such as a public agency or a private land trust. The entity that holds the easement is then responsible for making sure that the restrictions are followed. The value of the easement is determined by appraisal, comparing the land's value for its highest and best use (typically development) and its value as restricted by the easement's terms and conditions.
- Land under easement remains in private ownership, and the landowner is free to transfer the land to a new owner at any time with the conditions of the easement transferring along with the land.

Here are some of **the benefits of agricultural conservation easements** which have been demonstrated through surveys of participating farmers and ranchers and other research:

- **Improved farm viability.** Proceeds from the sale of an agricultural conservation easement are often reinvested into the farm or ranch operation. Farmers and ranchers have used proceeds to construct, expand, or repair agricultural buildings; buy equipment for farming, processing, or marketing products; pay down debt; or buy additional land.² Protected farms and ranches also have a positive impact on neighboring farmers and ranchers, providing them a sense of confidence in the “permanence” of agriculture in the community and helping to encourage additional investment in their own operations.³

¹ Compiled by American Farmland Trust's Farmland Information Center using data supplied by the NRCS Resource Economics and Analysis Division and Easement Programs Division using information from NEST and FMMI, April 2024.

² Dempsey, Jennifer (2023). [Analyzing the Lasting Impacts of the Federal Farm and Ranch Lands Protection Program](#). Northampton, MA; American Farmland Trust.

³ Sherman, R., Millshaw, S., Freedgood J. and Wagner B. (1998). *Investing in The Future of Agriculture: The Massachusetts Farmland Protection Program and the Permanence Syndrome*. Northampton, MA: American Farmland Trust.

- ***Additional conservation practice adoption*** – Many landowners who protected their land through the federal Farm and Ranch Lands Protection Program (FRPP) used proceeds from the easement sale to implement additional conservation practices. The survey shows that this increase in conservation was due to the recognition that their land will remain forever available for agriculture. FRPP landowners have a significantly higher rate of conservation practice adoption than the general farm population.⁴
- ***Enables older producers to transfer land without liquidating their most valuable asset*** – The sale of an easement allows older farmers and ranchers—who are often “land rich but cash poor”—to finance their retirement and facilitate an intra-family land transfer without having to liquidate a cherished asset and legacy. An AFT study found that virtually all surveyed farmers wanted to see their land remain in farming and saw the sale of an easement as the only means to make their land affordable for a next generation producer.⁵
- ***Improved land access for next generation farmers and ranchers*** – Escalating land values and competition for land from developers and non-farming investors is putting land ownership out of reach for many producers. This includes both those with established operations seeking to expand and, even more so, for undercapitalized producers and those just getting underway. Land access has long been the number one challenge facing new farmers and ranchers and has only been exacerbated by a 106 percent increase in cropland values and a 73% increase in pastureland value over the last decade and a half. By limiting its future use to agriculture, ACEP typically makes land more affordable, helping to create pathways for land ownership and wealth generation for a new generation of producers.
- ***Economic benefits for rural communities*** – Studies have shown that ACEP and other Purchase of Agriculture Conservation Easement (PACE) programs also strengthen rural economies. A 2022 study led by USDA’s Natural Resources Conservation Service in Montana, the Montana Association of Land Trusts, and the Heart of the Rockies Initiative found that between 2014 and 2021, every federal dollar of easement financing invested in Montana’s farms and ranches through ACEP yielded \$1.89 of economic activity. In addition, the \$109 million ACEP investment produced a total economic impact of \$182 million, supported 1,057 local jobs and \$41.5 million in labor income, and contributed \$99 million to the state’s GDP. A similar study completed by Colorado State University’s Agricultural

⁴ Dempsey. [Analyzing the Lasting Impacts of the Federal Farm and Ranch Lands Protection Program](#).

⁵ American Farmland Trust. [Keeping Farmers on The Land](#). 2016. Accessed June 2, 2025.

and Resources Economics Department in 2018 found similar results for federal investments made from easement programs in Colorado between 2008 and 2017.

Given these many benefits, it is unsurprising that thirty states, and over 100 counties and municipalities, have PACE programs. The most recent addition to this list is the State of Tennessee, which this year passed a new \$25 million state Farmland Preservation Fund with strong support from the governor, legislators, and the state's agriculture industry. AFT was similarly pleased to see Secretary Rollin's *Farmers First agenda* point to the benefits of ACEP-ALE as a program for farmers interested in keeping their land in agriculture.

Such programs have long been popular with both landowners and lawmakers and are typically oversubscribed. They have assisted thousands of farm and ranch families in realizing their dream of protecting their land and legacy for future generations.

BUILDING ON THE SUCCESS OF ACEP-ALE AND RCPP IN THE NEXT FARM BILL

AFT is grateful to this Committee—and especially to Chairman Thompson—for its strong support of ACEP-ALE and RCPP, as well as for championing program changes in the ***Farm, Food and National Security Act of 2024*** that would greatly improve their ability to serve farmers, ranchers, and agricultural landowners. Let me speak to each of these proposed changes in turn.

1. Increases funding for agricultural conservation programs.

We applaud and strongly support the Committee's inclusion of language to transfer the remaining unobligated balance of Inflation Reduction Act (IRA) funding into the Farm Bill conservation title both within the *Farm, Food and National Security Act of 2024* and in the recent House reconciliation bill. The House reconciliation package would increase the Farm Bill baseline for ACEP by \$250 million per year (to \$700 million annually), and for RCPP by \$150 million per year (to \$450 million annually). This funding would begin to help fulfill more landowner demand for ACEP and RCPP and enable even more farmers and ranchers to protect their land and implement the conservation practices needed to build more profitable, resilient, and sustainable operations for decades to come.

It's important to note that ACEP consists of two subprograms—Wetlands Reserve Easements (WRE) and Agricultural Land Easements (ALE). Annual funding for ACEP-ALE easement acquisitions represents less than half of the current \$450 million annual funding for ACEP. For instance, from 2019-2021, funding obligated for easements acquired through ALE amounted to just \$114 million on average annually, falling far short of meeting landowner demand. For reference, the Commonwealth of Pennsylvania spends an average of \$34 million annually on its PACE program.

KEY ACEP-ALE REFORMS IN THE FARM, FOOD AND NATIONAL SECURITY ACT OF 2024

1. Expands opportunities for landowner participation through changes to the federal share of easement value.

The *Farm, Food and National Security Act of 2024* would make valuable changes to ACEP's cost-share rates. These include:

- Increasing the federal share to up to 65% for general ALE easements.
- Providing a lower federal share option of 25% for easements held only by the partner entity.

Working lands with high agricultural productivity and conservation values are being lost because of the financial barriers that many landowners face in accessing ACEP-ALE. Currently, NRCS can only contribute 50% of the easement value unless a property is designated as "Grasslands of Special Significance," (GSS) in which case the federal share increases to 75%. In parts of the country without a land trust or state or local conservation funding source to leverage additional funding, landowners not in a financial position to donate a significant portion of the easement value are often unable to participate in the program.

The lower federal share option of 25% provides a new and important alternative. Some landowners mistrust government agencies and are reluctant to commit to an easement in which USDA holds an executory interest. Additionally, some states have been unable to reconcile their program's easement deed terms with USDA's terms. This could be addressed if state programs are allowed to use their own deed terms and there is no federal interest in the easement. Land trusts and public PACE programs with alternative funding sources would be able to leverage this smaller amount of federal funding to compensate landowners for the sale of an easement. There is precedent for this lower federal share option; a 25% federal share for an entity-only held easement is currently available through the RCPP.

Such changes would enable more farmers, ranchers, and landowners across the nation to make use of the program.

2. Improves program efficiency through an enhanced certification process.

Established in the 2008 Farm Bill, certification was intended to streamline program delivery and reduce administrative burdens on NRCS by recognizing the expertise of certain program partners to acquire and steward agricultural conservation easements. By enabling experienced partners to acquire an easement with minimal advance NRCS review, certification helps to reduce the time a landowner must wait to be compensated for an easement, which, since FY20, has averaged over two years. Until recently, NRCS had

certified only a handful of entities. While we commend NRCS for recent efforts to expand certification, experienced program partners could take on more responsibilities to further reduce easement acquisition times and decisions on post-closing stewardship requests. The language included in the *Farm, Food and National Security Act of 2024*:

- Affirms congressional intent around the purpose for certification.
- Lowers the threshold of projects required for certification and provides an additional pathway for certification.
- Allows certified entities to use and modify their easement deed terms so long as these terms are consistent with program purposes.

Such changes would both expand the number of certified entities and make certification more meaningful, thereby improving the process for entities and participating landowners.

3. Eliminates the Adjusted Gross Income (AGI) eligibility requirement.

We were pleased to see the *Farm, Food and National Security Act of 2024* eliminate the AGI eligibility requirement on landowners participating in ACEP. Unlike conservation cost-share programs, a payment through ACEP is not a subsidy but rather a real estate transaction and purchase of a specific property interest based on appraised fair market value. Moreover, imposing AGI eligibility requirements on landowners for ACEP defeats the program purpose of conserving land with the highest agricultural productivity and conservation values. In addition, AGI checks administered through the Farm Services Agency and the Internal Revenue Service are slow and cumbersome and are a barrier to getting projects completed in a timely fashion.

We hope the Committee will consider one further change to AGI, relating to how AGI is calculated. Currently, proceeds from the sale of an agricultural conservation easement are considered income for the purpose of calculating a landowner's AGI. This can have the perverse impact of preventing a farm or ranch family that has just sold an easement from participating in other NRCS conservation cost-share programs for several years. We encourage the Committee to eliminate this disincentive for conservation by excluding easement sales from AGI calculations.

4. Provides additional program clarity around ACEP easement administration actions.

We are grateful to the Committee for including reforms related to easement modifications. The language in the *Farm, Food and National Security Act of 2024* allows for modifications that align with program purposes and address changing circumstances that adversely impact agricultural viability, including changes in water availability. The language also created a new category of “*de minimis*” adjustments, offering a streamlined pathway for minor actions such as correcting typographical errors and changes to building envelope

boundaries. Importantly, the language also clarifies that easement modifications are not considered a major federal action under the National Environmental Policy Act.

These changes are intended to address landowner concerns over often extensive delays or denials of minor modification requests, and to recognize that program partners have significant expertise in addressing easement administration actions in other easements they hold. Consistency in easement amendment and modification practices across the realm of conservation programs is critical to avoid costly and unnecessary litigation as well as for the proper long-term care of perpetual conservation easements. AFT and partners look forward to continuing to work with Committee staff on ALE modifications language.

KEY RCPP REFORMS IN THE FARM, FOOD AND NATIONAL SECURITY ACT OF 2024

RCPP is designed to foster innovative landscape-scale conservation projects through expanded public-private partnerships. Land conservation organizations and public agencies have used RCPP to focus working lands protection efforts on important agricultural regions and to incentivize conservation planning and practice adoption on permanently protected farmland and ranchland. RCPP is a valuable, complementary tool to ACEP for permanent working lands protection. The *Farm, Food and National Security Act of 2024* includes several key reforms to RCPP supported by AFT and many others in the farmland protection community. These reforms would:

1. Expand ACEP certification to RCPP and allow ACEP-certified entities to use the same streamlined easement acquisition process as ACEP.

RCPP has often been stymied by program rules that require different acquisition procedures for agricultural land protection than those used by ACEP-ALE, even for experienced state and local land protection partners. We welcome the bill's proposed return to the "covered program" approach, which offers entities the choice of using established ACEP rules for working lands protection or pursuing innovative approaches through Alternative Funding Arrangements. The proposed language also provides assurance that entity certification under ACEP extends to RCPP easement projects.

2. Allow up to ten percent of project agreement funds to reimburse a partner for administrative expenses related to the project and permit partner administrative expenses not reimbursed to be part of the eligible partner's contribution.

We applaud the *Farm, Food and National Security Act of 2024*'s recognition that eligible partners should be permitted to recover personnel and associated costs with RCPP projects, similar to the use of funds for USDA personnel supporting the covered programs.

CONCLUSION

Private working lands are a finite resource foundational to the essential industry of agriculture. These lands, especially those that are the most critical for future food production, are being carved up and paved over in communities large and small. This relentless conversion threatens the profitability of established farmers and ranchers, the viability of our next generation of producers, and our future food and national security.

The federal government has an important role to play in addressing farmland loss. Agricultural conservation easements are an essential tool in this effort. ACEP-ALE and RCPP do much more than simply protect farmland. They help to create more viable farms and ranches, strengthen rural communities, and open the door for the next generation of farmers and ranchers.

In addition to conservation easements, it is important to note that there are other federal strategies which could support farmland retention. These include strengthening the Farmland Protection Policy Act and making changes in the tax code to both better enable the lifetime transfer of agricultural lands and exempt easement proceeds from taxation. AFT welcomes additional discussion on these and other policy topics.

I thank you once again for this opportunity and for this Committee's continued support for farmland and ranchland protection. AFT appreciates your leadership and looks forward to continuing this conversation. We stand ready to serve as a resource as you move forward on these important issues.