Irvin Dulaney White 1713 Proffit Rd Charlottesville, VA 22911 (540) 406-2309 whitefencing@gmail.com

Written Testimony from the Perspective of a New/Beginning Farmer to Address "Access to Conservation Programs by Historically Underserved Farmers and Ranchers"

## 1. Brief Overview of Farming Operation

After buying his first herd of cattle in 1998 with a Farm Credit loan, Irvin now rents over 2,000 acres across three counties where he raises about 250 cow/calf pairs on eight different properties. He also manages an additional 100 cow/calf pairs for landowner partners. Irvin's His forage-based operation Implements rotational grazing, attempting to minimize additional feeding. Weather permitting, Irvin feeds hay for approximately sixty days per year. Currently, Irvin produces about half the hay needed to support the herd, the remainder is brought in from off-site. Irvin manages the forage first and foremost making sure his stocking rates are well below the carrying capacity of the land. His fertilizer regime is based on soil-testing, maximizing the use of poultry-litter where appropriate and use commercial fertilizer to bring up nutrient values where the litter falls short.

Irvin is building his herd to maximize upon the genetics of those cattle which thrive on the local forage, reducing the need of supplemental feed, with each generation showing better adaptation to the local environment. Currently, Irvin markets steer calves in tractor-trailer lots that have been weened and backgrounded working with the Central Virginia Cattleman's Association. The top-end of the heifers are kept as replacements or are sold as breeding stock to other local producers. Throughout the years, Irvin has sold beef to friends and family. Irvin's long term goal for the cattle operation is to maximize local marketing and consumption of the farm-raised, grass-finished beef.

#### 2. Personal Involvement in USDA Conservation Programs

As a fencing contractor and farm consultant, Irvin is personally involved in explaining and promoting USDA conservation programs to a wide audience, from third generation farmers to investment bankers and corporate attorneys looking to live out their pastoral dreams in retirement. On a daily basis, he explains how programs would be implemented on their farms, the benefits these practices can have on their operation and management, and he provides a solid picture of the financial benefits offered by most of the programs.

As a farmer, Irvin has personally participated in EQIP and CSP. As a tenant farmer, he has assisted with the enrollment of the landowner's property in EQIP, CREP, and CSP. The various conservation practices that have been implemented with these programs in addition to stream and division fencing along with an alternative watering system are as follows: nutrient management, waste utilization through a poultry litter transport program (taking poultry litter from adjacent high phosphorus counties and applying to pasture according to a nutrient management plan), pasture improvement using pasture conditioning scores, stockpiling forages, native grasses/legumes, prescribed grazing, and critical area planting.

#### 3. Challenges and Opportunities for New/Beginning Farmers

#### **Challenges:**

Overall, new/beginning farmers face a suite of challenges, even just one of which might be enough to defer a dream of agriculture. In general, the biggest issues beginning farmer face are:

- Limited capital resources, lack of cash
- Variable input cost and fluctuation in market returns (Beginning Farmers aren't as resilient to volatility)
- Land ownership limitations
  - Development pressure and corporate interest ownership is increasing leading to:
    - land not being affordable/available
    - inability to get long term leases
    - less incentive to make improvements in production, infrastructure and equipment
- Most beginning farmers still rely on off farm employment for income which can limits the ability to sustain and grow their farm enterprise.

#### **Opportunities:**

New farmers are early adapters, willing to try new, innovative approaches and serve as examples to help educate others in the agricultural community. They provide a great opportunity for research and experimental farming.

## 4. Farm Bill polices which impact beginning farmers

#### **Challenges:**

## Time Allowance for New/Beginning Farmers:

The USDA provides the following points of definition for a Beginning Farmer/Rancher:

- Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years. This requirement applies to all members of a legal entity, and who
- Will materially and substantially participate in the operation of the farm or ranch.
- In the case of a contract with an individual, individually or with the immediate family, material and substantial participation requires that the individual provide substantial day-today labor and management of the farm or ranch, consistent with the practices in the county or State where the farm is located.
- In the case of a contract made with a legal entity, all members must materially and substantially participate in the operation of the farm or ranch. Material and substantial participation requires that the members provide some amount of the management, or labor and management necessary for day-to-day activities, such that if the members did not provide these inputs, operation of the farm or ranch would be seriously impaired.

This ten-year window is often not an adequate length of time for a new farmer to get off the ground. There are various contributing reasons:

 Lack of awareness of government conservation programs in the Beginning Farmer community. Farmers are often several years into their farming operation before they learn of these conservation opportunities. They can end up "aging out" before completing all the work that needs to be done.

- Young farmers who were raised and participated in the agricultural community are best served by this current structure. They have an established network for support, and they are able to easily access the assistance needed.
- Individuals who are new to farming not only need to gain technical knowledge, they must find their place and their connections within this often closed-off community.

### Proposed solution:

Don't start the clock when the producer plants his first seed/buys his first cow. Either push back the start date of the 10-year window to when the first USDA conservation contract is signed, when the farm is registered with FSA, or apply a completely different metric like establishing a threshold for success, such as farm-based income.

#### Existing Resource Concern-Based Eligibility

Having eligibility based on existing resource concerns can be an impediment to new farmers who want to wisely manage their natural resources from the start. Until there is a problem, they are not eligible for funding. In addition, it is not uncommon for beginning farmers to install conservation programs on their own before becoming aware of governmental programs. New farmers coming from a diverse background often come to farming as a result of research and observation filled with ideas they wish to try. They come to the field ready to implement what they have heard about and studied. It would be beneficial to new farmers to be able to take these improvements into consideration-either as points on an application or for potential reimbursement. Finally, new farmers often only have access to small tracts of land. These smaller areas have fewer resource concerns just based on size. In addition, scoring projects for EQIP where points are awarded based on a whole-farm approach can create such large projects as to be cost-prohibitive to the new farmer.

## **Government Collaboration/Efficiency of Operations**

Once aware there are governmental conservation programs and resource professionals available to a new farmer, navigating the matrix of acronyms and agency roles can be a full-time job. With budget cuts reducing educational staff (through such organizations as the Cooperative Extension), there is a greater burden and work load placed on local SWCD and NRCS staff. Encouraging partnership across Federal and State agencies would reduce the stress and challenge to any farmer. Accessibility to a local USDA office and staff can be challenging due to office location, number of available staff and hours of operation. Co-located offices, a streamlined system for paperwork and enrollment, and similar program requirements would offer a greater service to the agricultural community. A centralized clearinghouse to guide a new farmer through the agencies and where to go for help would be a tremendous start. Keeping these agricultural experts funded would be even better.

# Ownership of Land Requirements

New farmers more than most struggle with the control of land requirements within USDA programs. Unless coming from an agricultural or wealthy background, land ownership is not a reality for most new farmers. Piecing together rented to land to have a large enough operation to be profitable is an incredible hurdle. Maintaining Control of Land for contract terms and especially practice lifespan is challenging on rented/leased property. In addition, until a farmer is implementing these conservation practices on their own land, it is a large financial risk/investment to install infrastructure such as fencing and water systems on land which they may not farm the following season.

#### Lack of Innovation of Programs

New farmers who have chosen the field of agriculture are usually those who have researched and studied their future profession. These individuals are ripe with ideas and ready to experiment. Often the government programs and practices are not quickly responsive to new or innovative farming practices.

## **Opportunities:**

#### <u>Agricultural Assistance from Passionate Experts</u>

New/beginning farmers have access to free, local, experienced, technical assistance through local USDA offices and staff. In addition, the 2018 Farm Bill created a National Beginning Farmer Coordinator position at USDA as well as designated coordinators in each state to assist with outreach.

#### Connecting New/Beginning Farmers with Land

FSA land contract guarantees are a tool to help retiring farmers get assurances on the future of their land and financial interests when selling to a new farmer or rancher – and to help new and beginning farmers enter into rent-to-own situations. In addition, increases in funding for the Conservation Reserve Program (CRP) Transition Incentives Program from \$33 million to \$50 million over the next five years includes \$5 million for dedicated outreach to connect retiring farmers with beginning farmers, veterans, and farmers of color. The bill also expands eligibility to all CRP contract holders, not just retiring farmers.

#### Flexible Funding Structure/ Higher Reimbursement Rates for Beginning Farmers

Between FSA's willingness to work with those not able to get traditional funding to higher reimbursement rates and NRCS's flexibility with reimbursement rates and timing, the Farm Bill presents many economic incentives for new farmers. For example, the 2018 Farm Bill ensures that all beginning and socially disadvantaged farmers enrolling in the Environmental Quality Incentives Program (EQIP) have the option to receive 50 percent of their cost-share payment up front for material costs, labor, equipment rental, etc. In addition, the same historically disadvantaged groups may be eligible for increased payment rate to support implementation of conservation practices and conservation plans. USDA also offers beginning farmers with limited capital the flexibility to spread out the implementation of a project/contract over several years. Also, Beginning Farmers have access to a special Beginning Farmer Fund Pool (5% of total allocation in each State). Given that funding is competitive it gives them a little advantage having access to their own fund pool while getting started to not have to compete with well-established farmers with previous program participation history and experience. In short, a minimum of 5% of NRCS annual funding goes directly to Socially Disadvantaged Farmers including Beginning Farmers. This means that a higher percentage of financial assistance is paid to beginning farmers.

## Continued Support for Farmers Beyond Basic Infrastructure

From both a financial and a management perspective, the Conservation Stewardship Program (CSP) makes a huge difference in a farming operation. Once the majority of the infrastructure has been installed, the CSP payment can carry a farmer through necessary maintenance and improvements to reach their management goals. Having a moderate annual payment is a great help to keep a farmer moving toward full-farm conservation. In addition, the annual review is a great opportunity for a farmer and NRCS staff to interface and evaluate goals and management. More annual practices with associated annual payments would help the practices with longer contracts be better maintained and better utilized.