

USDA Secretary Mike Johanns
Listening Session on 2007 Farm Bill
Penn State College of Agricultural Sciences
Ag Progress Days
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Comments by Marion Bowlan, Executive Director, Pennsylvania Farm Link/farmer
Member of USDA Beginning Farmer Advisory Committee

Mr. Secretary, welcome to Pennsylvania and thank you for including our Commonwealth in the nationwide farm bill listening tour.

I am a third generation farmer from Lancaster County, PA, the most productive non-irrigated county in the nation. My husband, our two children and I have farmed here for the last 18 years. We hope to be able to transition our two farms to our children or some other deserving beginning farmer in the not too distant future.

I am also the director of a non-profit organization, Pennsylvania Farm Link, that has as its mission creating farming opportunities for the next generation. For eleven years I have had a keen interest and worked on the issues of beginning and retiring farmers. My work has focused on helping beginners get started and helping farmers who want to transition the farm to the next generation, including family or unrelated individuals.

Working with farmers and personally farming myself has given me the opportunity to make several observations:

Land values, especially those in productive areas that are under development pressure are escalating at a pace that is having a profound impact on beginning farmers' ability to purchase land. Let me provide you with a personal example. In 1987 when we purchased the farm from my parents we paid 6 times more than they did. Sixteen years later, in 2003, we bought the second farm from my family and paid over 50 times more than my parents did. We were only able to afford the second farm because we sold the development rights to our first farm and heavily mortgaged our future. No beginner could begin to approach such high land values and hope to have the farm stay solvent.

In my opinion, we need to think about the big picture and determine how we want our rural landscape to look. Do we want to populate our farmers with owner-operators who are more invested in stewarding our land and water resources, or are we content with ever increasing absentee ownership and the potential for higher extracting of these precious resources. Most beginners I have talked to if they see no hope of ever owning land, will either give up in discouragement or don't even try to get started.

In Lancaster County and Pennsylvania we have used zoning, farmland preservation programs, and real estate tax discounts to work to preserve the land. These are good

programs and should be continued and could serve as examples to be duplicated in other areas of the country.

As I see it, we need to develop incentives and programs to preserve the farmer in addition to the land. Because of time limits I include three recommendations that I hope will be considered. Other recommendations will be included in the near future in the USDA Beginning Farmer Advisory Committee report to you

Please consider:

1) **Tax incentives to rent land to the next generation** should become federal law. Your home state of Nebraska serves as a good example for other states and the federal government.

2) **Consider a farm safety net for income.** The study "A Safety Net for Farm Households" conducted in 1999 by USDA's ERS found that this approach may result in lower costs than current commodity programs. Our present farm safety net programs generally benefit farmers producing selected commodities with the primary beneficiaries being larger farms. Recent statistics point to 87% of farm households needing off farm income to make ends meet. A safety net could particularly help beginners devote more time and energy to getting profitable farm businesses established.

3.) **Provide funding to the National Farm Transition Network (A 501 C 3 organization)** for administering and distributing funds to member programs that serve the educational and resource needs of beginning and transitioning farmers. These state programs have a wealth of experience and expertise in the difficult issues of getting started and transitioning to the next generation. Matching funds would allow USDA to leverage state and community dollars while securing proven expertise and real benefits for farmers.

A few responses from farmers: "We wanted to let you know your workshop helped us build the foundation for forming a partnership between our son and his father. Because of the partnership, we also felt the need to expand our dairy from 50 cows to 100... Thank you for sharing this information.

... *A family with three generations participating in our Passing on the Farm workshops*

"I just wanted to thank you for helping us. My husband and I have been talking to my grandparents about their farm and they are allowing us to move to the farm now. We will get the first chance to buy it. My grandfather has been skeptical about me wanting to buy the farm in the past, but I feel that my involvement with PA Farm Link and what I have learned helped to change his mind—now he is bragging to his friends that his granddaughter wants to be a farmer? Thanks for everything."

... *A beginner farmer who took our business class*