

Young and Beginning Farmers Interim Study Committee

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November 2017

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Committee Charge

Pursuant to the Legislative Council Executive Committee approval of Interim Committee Letter 2017-06, the Young and Beginning Farmers Interim Study Committee was permitted to meet up to two times during the 2017 interim and recommend up to two bills for Legislative Council approval. The committee was charged with examining the following policy issues:

- the lack of land access for young and beginning farmers;
- increasing the availability of credit and financial training for beginning farmers;
- increasing business skill training for young farmers, which includes education on regulatory compliance, direct marketing of agriculture products, the establishment of institutional sales, and entrance into emerging markets; and
- increasing access to technical and financial resources to improve farm conservation measures.

Committee Activities

The committee met two times during the interim. Presentations were made concerning three main issues: land access; educational resources and training; and financial assistance. Presentation topics included an overview of the National Young Farmer Survey Results; an overview of the Land Link program; access to education and training for farmers; and financial assistance.

Presenters included representatives from the National Young Farmers Coalition (NYFC), Colorado Farm Bureau, Guidestone Colorado, the Colorado Young Farmers Educational Association, Rocky Mountain Farmers Union, the Colorado Agricultural Development Authority (CADA), Colorado State University (CSU), Otero Junior College, Northeastern Junior College, and the Sedgwick County Economic Development Corporation, as well as experienced farmers and ranchers who spoke to their individual experiences in the industry.

Overview of National Young Farmer Survey Results. Representatives from the NYFC provided an overview of the 2017 NYFC National Survey, which was completed in collaboration with George Washington University. The survey examined the demographics of young farmers throughout the nation. Results of the survey showed that the biggest obstacles for young and beginning farmers are access to land and capital and the lack of succession planning by established farmers. In response to the survey, the representatives from NYFC recommended establishing a beginning farmer and rancher center at CSU; creating an internship grant program; establishing a beginning farmer and rancher student loan repayment program; expanding the beginning farmer and rancher tax credit; and creating a state capital gains tax deferral or exclusion for farmland and agricultural assets sold to new and next generation farmers and ranchers. Many of these concepts were also discussed by other presenters.

Land access. Several presenters discussed the issue of land access for young and beginning farmers. A representative from Guidestone Colorado, a part of the Hutchinson Homestead and Learning Center, provided the committee with an overview of the Land Link Program, which helps retiring farmers and ranchers find strategies for succession plans and matches landowners with young and beginning farmers seeking land. The committee considered, but did not recommend, a bill to allow counties to create agricultural protection districts to promote the viability of the state's agricultural sector.

Educational resources and training. A representative from CSU Extension provided the committee with an overview of the Colorado Building Farmers Program, which provides students with business planning training and hands on learning opportunities. He stated that the creation of a network for beginning farmers and ranchers would help to give existing programs, including the Colorado Building Farmers Program, administrative assistance and provide a support system for young and beginning farmers. The committee considered, but did not recommend, a bill regarding the creation of a Colorado farmers and ranchers center.

A representative from Otero Junior College provided information about Otero Junior College's Agriculture Business Management Program, which is also offered at Northeastern Junior College and Morgan Community College. The program provides certification in specialties such as records and business planning, financial analytics, and profit maximization. The committee considered, but did not recommend, a bill that would create a grant program within the Department of Agriculture to provide young and beginning farmers with financial assistance to pay for an agricultural business management course.

A representative from Northeastern Junior College discussed the Production Agriculture Program at Northeastern Junior College. The program is a way for students to specialize in production agriculture and offers classes that teach students basics of producing livestock and crops, as well as business management skills. Agricultural programs at Northeastern Junior College give students the option to participate in an internship. The representative discussed the lack of internship opportunities throughout the state. Bill A requires the Colorado Department of Agriculture to create an agriculture workforce development program to incentivize agricultural businesses to hire interns. The committee considered, but did not recommend, a similar bill that would expand the Innovative Industries Workforce Development Program, created by House Bill 15-1230.

Financial assistance. Representatives from CADA provided the committee with background on the Beginning Farmer Loan Program. The program involves a three-way transaction among a lender, a borrower, and CADA to purchase agricultural land, make improvements to structures or buildings on the land, or to purchase farm machinery and irrigation equipment.

Committee Recommendations

As a result of committee discussion and deliberation, the Young and Beginning Farmers Interim Study Committee recommends the following bill for consideration in the 2018 legislative session.

Bill A – Agricultural Workforce Development Program. The bill requires that the Department of Agriculture create by rule an agricultural workforce development program to reimburse agricultural businesses for up to 50 percent of the actual cost of employing an intern. Costs may include wages, fixed expenses, and other costs. The program must be established by January 1, 2019. The program is repealed July 1, 2024.