RESPONDING TO AGRICULTURAL LAND CONVERSION

Federal Policy Recommendations

Farms Under Threat: The State of States highlights a critical challenge facing America’s farms and ranches. From 2001–2016, 11 million acres of agricultural land (equivalent to all U.S. farmland devoted to fruit, nut, and vegetable production in 2017) were paved over or converted to uses that threaten the future of agriculture. Although private development drives much of this conversion, the federal government plays an important role, funding projects that convert farmland as well as programs that support farmland protection and viability. This new report provides a roadmap to a more robust federal response.

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Agricultural conservation easements can:
- Keep land available for food production
- Provide critical capital for producers
- Make land more affordable for a new generation

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FARMLAND AND RANCHLAND LOSS:
- Threatens the resilience of our food supply
- Damages rural economies
- Reduces our ability to fight climate change
- Limits opportunities for a new generation of producers

Total Agricultural Acres Converted 2001–2016

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FARMLAND PROTECTION IN THE ERA OF COVID-19

COVID-19 has only deepened the need for federal action to prevent farmland loss. For many Americans, the pandemic has been their first glimpse of food insecurity, illustrating the importance of a resilient food system. This can only be achieved if we protect and retain our agricultural lands. Furthermore, the weakened agricultural economy potentially places more land at risk of development as producers struggle to make ends meet.

4.1 million acres were converted to urban and highly developed (UHD) land uses

7 million acres were converted to low-density residential (LDR) land uses

4.4 million acres were “nationally significant”—the nation’s most productive, versatile, and resilient agricultural land

1.3 million acres were proposed for conversion by projects that received federal funding
FEDERAL POLICY RECOMMENDATIONS

Increase funding for agricultural land retention and protection

- Double investment in the Agricultural Conservation Easement Program to enable the Agriculture Land Easement program to protect crucial additional acres.
- Authorize a new Debt for Working Lands Program to offer relief on FSA loans in exchange for a permanent conservation easement or a long-term non-development covenant.
- Consider block grants to help states, counties, and municipalities develop comprehensive land use plans.

Minimize the impact of federally-funded development on agricultural land

- Strengthen the federal Farmland Protection Policy Act, which requires agencies to consider farmland conversion for new projects, by adding mitigation requirements, penalties for excessive conversion, and additional protections for eased and Nationally Significant land.
- Elevate the importance of farmland protection by coordinating action across agencies to ensure that federally-funded projects encourage smart growth.

Forge a path to success for a new generation of farmers

- Incentivize land transfer to a new generation by providing a capital gains exclusion with a recapture provision for the sale of land to young, beginning, socially disadvantaged, and veteran producers.
- Raise the cap on 2032A Special Use Valuation, which provides an estate tax exemption, provided that the land remains in agriculture for 10 years.
- Increase support for the Conservation Reserve Program-Transition Incentives Program which incentivizes farmers with enrolled CRP acres to transition their land to beginning or historically disadvantaged farmers through purchase or rental.
- Improve funding for the Beginning Farmer and Rancher Development Program, which provides grants for education, mentoring, and technical assistance for new producers.

Support programs that encourage farm viability

- Increase funding for the Local Agriculture Market Program to help producers develop, coordinate, and expand direct-to-consumer markets.
- Create an Agricultural Development Block Grant program to support diversification, workforce development, and expanded economic opportunities for small and mid-sized producers.

Conduct research needed to inform prudent federal and state policymaking

- Invest in a new Tenure, Ownership, and Transition of Agricultural Land survey which provides information on land demographics and ownership trends.
- Devote additional resources to the National Resources Inventory to deliver reliable state and county-level data on the status and trends of agricultural land and related resources.

NOTES