

RESPONDING TO AGRICULTURAL LAND CONVERSION

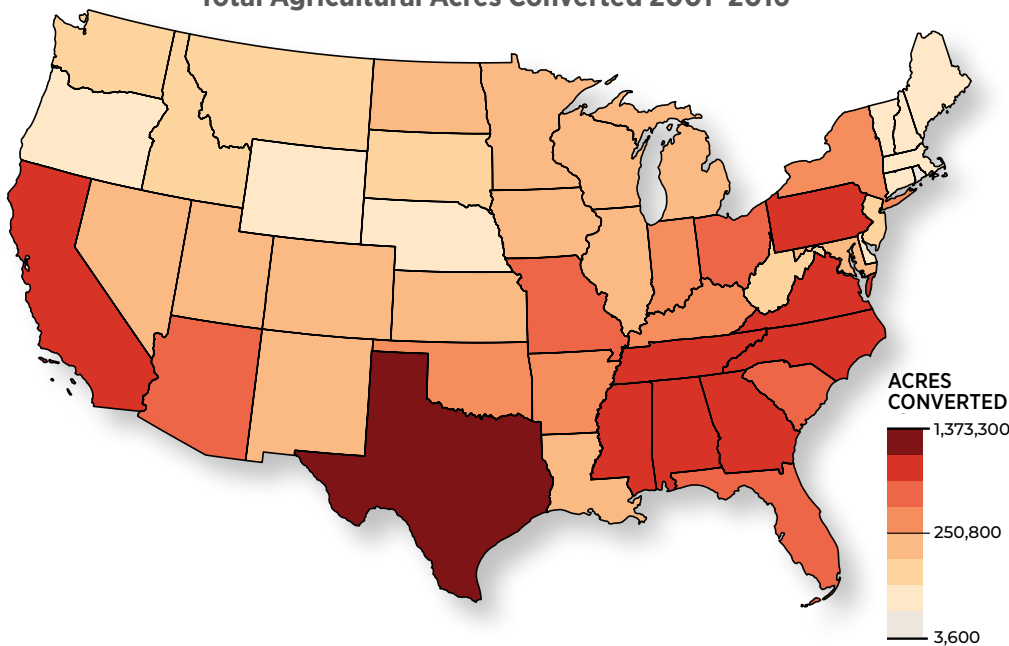
Federal Policy Recommendations

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.

FARMLAND AND RANCLAND 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



4.1 million acres
WERE CONVERTED TO URBAN AND HIGHLY DEVELOPED (UHD) LAND USES²



7 million acres
WERE CONVERTED TO LOW-DENSITY RESIDENTIAL (LDR) LAND USES²



4.4 million acres
WERE “NATIONALLY SIGNIFICANT”—THE NATION’S MOST PRODUCTIVE, VERSATILE, AND RESILIENT AGRICULTURAL LAND²



1.3 million acres
WERE PROPOSED FOR CONVERSION BY PROJECTS THAT RECEIVED FEDERAL FUNDING³

Over 40% of farmland is expected to change hands in the next two decades.¹ Will it stay in agriculture?

Agricultural conservation easements can:

- ▶ Keep land available for food production
- ▶ Provide critical capital for producers
- ▶ Make land more affordable for a new generation



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.

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

1. Farmland Information Center, *Tenure, Ownership, and Transition of Agricultural Land Survey*, 2016.
2. Freedgood, J., et al. 2020. *Farms Under Threat: The State of the States*. Washington, DC: American Farmland Trust.
3. USDA, Farmland Protection Policy Act (FPPA) Records 2006, 2012, 2018. Note: FPPA records are presented by federal fiscal year.

Farms Under Threat is American Farmland Trust's multi-year initiative to document the status of and threats to U.S. farmland and rangeland and to identify policy solutions to ensure the protection and conservation of America's diverse agricultural landscape. For more information about AFT, visit www.farmland.org. If you have any questions about the analysis methods or would like access to data, please contact AFT's Farmland Information Center: www.farmlandinfo.org or (800) 370-4879.

To explore interactive maps and the policy scorecard, visit www.farmland.org/farmsunderthreat.