

**Governing Iowa's public  
universities and special schools**

University of Iowa  
Iowa State University  
University of Northern Iowa  
Iowa School for the Deaf  
Iowa Braille and Sight Saving School  
Lakeside Lab Regents Resource Center  
Quad-Cities Graduate Center  
Southwest Iowa Regents Resource Center  
Tri-State Graduate Center



**BOARD OF  
REGENTS**  
STATE OF IOWA

Craig A. Lang, President, *Brooklyn*  
Bruce L. Rastetter, Pro Tem, *Hubbard*  
Nicole C. Carroll, *Carroll*  
Robert N. Downer, *Iowa City*  
Jack B. Evans, *Cedar Rapids*  
Ruth R. Harkin, *Cumming*  
Greta A. Johnson, *Le Mars*  
David W. Miles, *Dallas Center*  
Katie S. Mulholland, *Marion*

Robert Donley, *Executive Director*

January 23, 2012

Michael E. Marshall  
Secretary of the Senate  
State Capitol Building  
Des Moines IA 50319

Charles Smithson  
Chief Clerk of the House  
State Capitol Building  
Des Moines IA 50319

Re: Beginning Farmer Center – Annual Report FY 2011

Dear Members of the Iowa General Assembly:

Pursuant to Iowa Code Chapter 266.39E, enclosed is the annual report on the Beginning Farmer Center at Iowa State University.

If there are any questions concerning this report, please do not hesitate to contact us.

Sincerely,

Robert Donley

H:\BF\Legislative\2012 Session\responses\GA\_beginningfarmercenter012312.doc

Enclosure

cc: Robin Madison, LSA  
Legislative Liaisons  
Legislative Log



## Beginning Farmer Center

Resources to help our next generation of farmers

### Objectives

The Beginning Farmer Center (BFC) was established at Iowa State University (ISU) by the 1994 Iowa General Assembly. Objectives of the Center include:

- coordinating educational programs and services for beginning farmers,
- assessing needs of beginning and retiring farmers to identify opportunities for programs and services, and
- developing statewide programs to educate beginning and retiring farm families.

### Organization

The Center is a joint effort of the ISU College of Agriculture and Life Sciences and ISU Extension and Outreach, which delivers the Center's programs and activities.

The ISU Department of Economics provides a director for the Center, and the Center's administrator is the attorney for the Iowa Concern Hotline. A full-time farm transition specialist and eight associates throughout the state provide services on an as-needed basis.

### Major Activities

#### FarmOn

The Center provides basic funding and outreach for the FarmOn program, which is designed to facilitate the introduction of retiring farmers to young people who want to get started in agriculture. To provide opportunities for potential participants, BFC hosts one-day workshops about issues related to farm transitions throughout Iowa.

We currently have 495 active beginning farmer files and 23 retiring farmer files. During 2011 there were approximately 856 calls regarding beginning farmer programs. In 2011 there were two matches facilitated.

The Center works closely with ISU Extension and Outreach county and field staff to identify the needs of beginning and exiting farmers. The Center develops appropriate educational material and provides instructors for a series of seminars. We are continually trying to increase the number of retiring farmers. This is one of the major problems faced by the FarmOn program.

#### Ag Link

Ag Link is a four-day seminar for college juniors and seniors who plan to join their family farm operation after graduation. Family members and others in the operation also attend the seminar. Topics include conflict resolution, goal setting, determining values, business analysis, farm planning, and management.

The Center worked closely with the regional Extension staff to present a series of AgLink style programs throughout the state.

The 2011 seminars were attended by 39 families totaling 117 individuals. Eight students registered to expand their work for AgLink and earn two hours of independent study credit.

A young woman who attended the 2011 Ag Link seminar wrote, "The dialog has started as a direct result of the class. A big thank you to the Beginning Farmer Center and to all of the instructors during the four days of the seminar."

#### Individual farm analysis

The Center provides individual analysis of existing farm situations. During the 2011 there were 40 farm visits reaching approximately 90 individuals.

#### Beginning Farmer Network

The Center provides a faculty advisor and support for an Iowa State student organization, the Beginning Farmer Network (BFN). Students in this organization are interested in entering farming. The BFN sponsored its sixth annual conference in 2011. Approximately 100 people attended.

#### Center Review

There was an outside review of the Center during 2011. Center staff prepared a review document for the nine person review team of two farmers, three academics, a reporter, a private consultant, Dean of the Iowa State College of Agriculture and Life Sciences and the Iowa Secretary of Agriculture. The team and Center staff held a day long review in August and the team, under the direction of Joy Kirkpatrick with the University of Wisconsin, provided a detailed report.

The review team outlined four options for the future of the Center and made 12 recommendations. The options focused primarily on how the Center could cope with reduced funding. One of the options, that will not be pursued at this time, was simply closing the Center.

The Center is in the process of implementing the recommendations from the review committee for improving internal operations, ways to solicit outside funding and promote activities of the Center.

### **Outreach activities**

Center staff spoke at numerous conferences nationally and internationally. Presentations were made to commodity groups, attorneys, farmers, government officials and others interested in beginning and retiring farmer issues.

The Center helped cosponsor several conferences. These included directing the Beginning Farmer Network conference on the Iowa State campus.

The Center was active in developing and presenting at a conference of urban legislatures. This conference was designed to help them understand agriculture.

The Administrator serves as the Chairman of the International Farm Transition Network, a network of various state, university and private organizations that helps beginning farmers. This network allows groups to share ideas and materials, and avoid duplication of efforts.

The Administrator developed and delivered farm business succession education materials for the producers eligible for assistance through the USDA Technical Adjustment Assistance.

The Center upgraded its website in 2011. This upgrade uses the Iowa State template and allows the Center to feature additional information in a consistent way.

### **Research activities**

In 2011 the Center became a part of a larger Iowa State beginning farmer project which involves a working group of outside stakeholders. The Center staff are also members of other grants related to beginning farmer issues.

The Center continues working with the economics department to develop a series of case studies examining machinery sharing arrangements. There is also a collaborative effort to develop estate planning material.

## **Leveraging the Advantages**

The FarmOn program and the Beginning Farmer Center are among the first in the nation to address the critical issue of future caretakers of farmland and successful ways to transfer operations to succeeding generations.

The BFC works closely with the Drake University Agricultural Law Center by providing speakers and materials. The Center also employs law students part-time as back-up for the Center's administrator. The Center works in conjunction with ISU Extension and Outreach field staff to offer materials, speakers and financial support for programs to help beginning and exiting farmers. The BFC also provides speakers and materials for the Iowa Bar Association and works closely on program efforts with several Iowa State academic departments and centers including the the Center for Agricultural Law and Taxation.

## **Future Activities**

The rapid increases in land values and rents have made access to the land resource especially difficult for beginning farmers. The situation is further exacerbated by the recession, capital shortages, and general economic conditions throughout the whole economy. This makes long-term planning especially critical. The Center continues to encourage farmers to realistically assess their viable options and alternatives. Value-added agriculture and local food systems are two of the potential revenue sources that need to be pursued by beginning farmers.

The Center will continue its efforts to attract retiring farmers to consider the FarmOn program.

The Center will continue funding and support for the FarmOn and Ag Link programs. It also will continue to support the individual farm financial analysis for beginning farmers through ISU Extension's Farm Financial Planning Program.

The Center will continue looking at how to understand and increase the motivation for farmers to pass on an operation to another person as a unit rather than in pieces. Research also is needed to develop and analyze alternative business strategies for both beginning and retiring farmers.

## **Recommendations**

The Center recommends that all legislators, not just those at the federal level, consider the impact of legislation on beginning farmers and those contemplating retirement. The Center recommends a tax credit similar to that available to exiting farmers who lease farm business assets to a beginning farmer be extended to beginning farmers. The Center needs and recommends an increase in funding to expand and enhance its work. The Center budget has remained the same since its' creation in 1994.

### **For more information contact:**

Michael D. Duffy, director, Iowa State University Department of Economics, 515-294-6160

John Baker, Beginning Farmer Center administrator, 1-877-BFC-1999

Dave Baker, farm transition specialist, 1-877-BFC-1999

Visti Beginning Farmer Center website  
<http://www.extension.iastate.edu/bfc/>

View videos about Beginning Farmer activities at:

<http://youtu.be/UXrCcKIcceA>  
[http://youtu.be/T8yJw\\_792rk](http://youtu.be/T8yJw_792rk)

### **.. and justice for all**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Cathann Kress, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.