FARM FOUNDATION®
FORUM

OWNERSHIP AND INVESTMENT
IN U.S. FARMLAND

JULY 18, 2023

Today’s webinar is made possible by a grant from Farm Credit

#FarmFoundationForum
MARTHA KING
Vice President, Programs and Projects
Farm Foundation
MEET FARM FOUNDATION

A 501(C)(3) NON-PROFIT AT THE INTERSECTION OF AGRICULTURE AND SOCIETY
Farm Foundation is an **ACCELERATOR**
of practical solutions for agriculture.

We accelerate **PEOPLE AND IDEAS**
into **ACTION**.
OUR MISSION AND VISION
GUIDE OUR WORK

MISSION:
To **build** trust and understanding at the intersections of agriculture and society.

VISION:
To **build** a future for farmers, our communities, and our world.
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See link in chat function

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#FarmFoundationForum
Submit questions by clicking on the Q&A Button at the bottom of your screen.

- Please include your name and company so questions may be contextually understood.
- Due to time limits, we may not be able to ask all questions submitted.
- This Forum is being recorded and will be posted on our website at farmfoundation.org as well as the Farm Foundation YouTube channel.
- Please take the short survey at the conclusion of the Forum.
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DAVID Haight - Moderator

Vice President for Programs
American Farmland Trust
Ownership and Investment in US Farmland

David Haight, VP for Programs
The Agricultural Landscape of the United States

https://farmland.org/project/farms-under-threat/
Changes in the Farm & Ranch Community

Potentially Dramatic Shift in Agricultural Land Ownership

Senior Farmers and Landowners Own 370 Million Acres Across America
Changes in the Farm & Ranch Community

Access to Land Is a Major Barrier for Beginning Farmers and Ranchers
40% of Agricultural Land in US Is Owned by Non-Farmers
Solar Energy will Impact Farmland Too

Need Smart Solar℠

https://farmland.org/solar/
The Fight For The Survival of Black Farmers

On Remote Farms and in City Gardens, a Native American Movement Grows

Agriculture and Land Ownership in the US

Powerful and Challenging Legacy
Ownership and Investment in US Farmland

David Haight, VP for Programs
HOWARD HALDERMAN

President
Halderman Farm Management and
Halderman Real Estate Services
US Farm Real Estate Trends

2023

Who owns/buys the land?

July 18, 2023

F. Howard Halderman AFM
Investment Universe

- $3.4T: All US farm real estate
- $1.9T: All US cropland
- $1.2T: Cropland in non-prohibited states
- $1.0T: Water accessible cropland in non-prohibited states
- $20B: Annual turnover in cropland universe


For Institutional and Qualified Purchaser Use Only | 25
Foreign Ownership of US Farmland

December 31, 2021

40 MM Acres (IL has 37 MM acres total)
3.1% of all farmland
47% forestland, 29% cropland, 22% pasture and other
Chinese ownership is 1% of total foreign owned
Who is Buying?

Dominant Purchasers in Farmland Market

<table>
<thead>
<tr>
<th>Year</th>
<th>Farmland Investor (%)</th>
<th>Farmer (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>38</td>
<td>62</td>
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<tr>
<td>2015</td>
<td>33</td>
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<td>2022</td>
<td>46</td>
<td>54</td>
</tr>
<tr>
<td>2023</td>
<td>35</td>
<td>65</td>
</tr>
</tbody>
</table>

Halderman Real Estate Services, Inc.
Summary of HRES Sales

• Trend 2016 - 2023
Summary of HRES Sales

- Does Quality Matter?
Summary of HRES Sales

Does the size of the parcel impact values?
ELORIS SPEIGHT
Director
Socially Disadvantaged Farmers and Ranchers Policy Research Center
Farm Foundation® Forum: Ownership and Investment in U.S. Farmland
SDFR Policy Research Center
located at Alcorn State University
SDFR Policy Research Center

- Authorized in 2014 Farm Bill
- Located at 1890 University
  - Alcorn State University- MS
- National--strategic focus in the 18 states with 1890 land-grant universities
- Staffed by 6 full-time employees +
  - University staff
  - contracts/ subawards
- Why created?
  - One voice for SDFR
  - Ensure data driven information available
  - Provides vehicle for minority farmers to be involved in policy construction, interpretation and implementation
Mission/Vision

• Mission
Conduct research, analyze policy and make recommendations seeking to achieve equitable and economic integration of USDA programs and policies for socially disadvantaged farmers, ranchers, communities and rural landowners

• Vision
To be the premiere authority for information on the history, current conditions, trends and future projections of socially disadvantaged farmers, ranchers (SDFR) and communities
Equity vs Equality

Equality vs Equity

Rosetta Eun Ryong Lee (http://tiny.cc/rosettalee)
Equity vs Equality

• Equitable and equal are two different words with different meanings.
  • Equitable means marked by or having equity, and applies in the context of fairness or equal treatment.
  • Equal means the same in all respects, and refers to any two things which are the same.

• Equity recognizes that each person has different circumstances and allocates the exact resources and opportunities needed to reach an equal outcome.
Areas of Focus

• Stakeholder Engagement
• Active Research
• Policy Development
• Strategic Outreach
STAKEHOLDER ENGAGEMENT
Stakeholder Engagement

• 70+ Community-Based Organizations
• 1890 (100%) and 1862 Universities (MSU, UT, Auburn, UA)
  – Small Farms Conferences/Outreach /PAWC
• Technical Working Group/ Congressional Black Caucus (CBC)
• Advisory Board Chaired by President of ASU
Stakeholder Engagement

- Partnerships
  - Southern Risk Management Education Center (SRMEC)--UA
  - The 1890 Universities Foundation
  - Southern Rural Development Center (SRDC)-MSU
  - Law Centers
    - Harvard Law School Food Law & Policy Clinic
    - Vermont Law School-Center for Agriculture and Food Systems/ Southern University Law Center/UA Law Center
  - MS Center for Justice—Heirs Property
  - Jackson State University—Policy Analysis
  - The Tennie Group—Tax Information/Financial Planning
  - MMFA-establish and operate ARC –Northern MS
Stakeholder Engagement

- Partnerships
  - USDA
    - Office of Partnerships & Public Engagements (OPPE)
    - NRCS—Outreach Agreement
    - NIFA-Cooperative Agreement—
    - FSA--Cooperative Agreement
  - Tougaloo College--Leadership for Elected Officials—Rural Towns
  - John Deere/ Corteva Agriscience
  - International Produce Association
  - Walmart—Center for Racial Equity
Focusing on Policy Research that Impacts Socially Disadvantaged Farmers and Ranchers
Active Research--Priority Research Areas

- Impact of current agriculture policy on SDFR
- Land Loss Among African American Farmers
- Participation of SDFR in USDA Programs
- Access to and use of technology
Active Research--Priority Research Areas

Original Four Areas

Youth Programs and Pipeline

Community and Urban Agriculture
POLICY DEVELOPMENT
Justice for Black Farmers Act of 2021--Background

• From 1868 to 1934, federal government gave away 246 million acres of farmland, in 160-acre land grants, to over 1.5 million white families
• These federal land grants became the source of wealth creation for millions of White Americans as they improved the land, engaged in agriculture production, and leveraged the asset to start businesses and make investments
• Over the past 100 years white farmers have also utilized USDA loans, subsidy programs and grants to expand their operations and weather difficult times
• However, Black farmers were denied this assistance through a long history of racist discrimination by USDA
• When Black farmers tried to speak out about these injustices, USDA systematically ignored/dismissed their claims
Justice for Black Farmers Act-

• This systemic racism by the federal government coupled with market discrimination forced the dispossession of millions of acres of Black farmland and decimated the population of Black farmers in America.

• In 1920, there were nearly 1 million Black farmers in the United States—Blacks made up 14% of US and farm population.

• There were 926,000 (out of total 6,425,400) Black-operated farms, or one-seventh (14.4%) of all farm operations.

• Black farmers have declined by more than 96% since 1920 and is the only group declining in numbers.
Justice for Black Farmers Act-

• Why the focus on Black Farmers?
• Now, a century later, there are fewer than 50,000 Black farmers in the U.S, --1.4% of the 2.8 million farmers and ranchers in the US
• Today, Blacks made up 14% of US population and only 1.4% of the farm population
• There are 35470 (out of total 2,042,220) Black-operated farms, or (1.7%) of all farm operations
• The Black-owned farms that remain are smaller on average than other farms and Black farmers make a fraction of what white farmers make in farm income
• According to USDA, 8% of Black Farmers receive funding from USDA
• Without Intervention, Black Farmers Will Become Extinct
Background on Development of Black Farmer Policy

• Efforts of 32 Black groups to work with 4 candidates running for president to develop policy statements
  • Senator Warren, Senator Sanders, Vice President Biden and Michael Bloomberg
• Senator Warren developed most comprehensive policy
• Senator Warren drafted the Justice for Black Farmers Act
• Senator Booker took lead for the Justice for Black Farmers Act in 2020
• Senator Reverend Warnock drafted Emergency Relief for Farmers of Color Act in February 2021
Justice for Black Farmers Act of 2021

- The Justice for Black Farmers Act was an attempt to create economic justice by eliminating lingering federal discrimination by creating fair access to credit and federal programs, which will provide the tools to grow that dream into a reality.
- The bill put in place market reforms and invests substantially in regenerative agriculture to help level the playing field and make it possible once again for independent family farmers and ranchers across the country to thrive.
- This model of fair markets and federal support created generational wealth for the ancestors of tens of millions of white Americans alive today –
- The Bill was an attempt to provide Black Americans and other Americans of Color the same opportunity.
Policy Development- 2023

• Recommendations—
  – Racial Equity
    • Justice for Black Farmers
    • Use of term-SDFR—no shared cultural history
    • FSA County/State Committees
  – Access to Capital/Other Resources
    • Farm Credit System
  – Transparency--Accountability—USDA /FCS
  – 1890 Priorities--Disparities in Funding
  – Expand Urban Agriculture
  – Expand Youth Programs for minorities in Agr
Policy Development- 2023

- **Inflation Reduction Act**
- Signed by President Biden on 8/16/22
- **Highlights of Act**
- Section 1005 of the American Rescue Plan Act of 2021 was repealed
- $2,200,000,000 for discrimination financial assistance
- $3,100,000,000 to provide payments for the cost of loans or loan modifications with respect to distressed borrowers* of direct or guaranteed loans administered by FSA
Inflation Reduction Act Assistance for Producers Who Experienced Discrimination in USDA Farm Loan Programs

- Section 22007 of the Inflation Reduction Act (IRA) provides $2.2 billion in financial assistance for farmers, ranchers, and forest landowners who experienced discrimination in USDA’s farm lending programs prior to January 1, 2021.
- Distribution of these funds is one step in the long march towards justice and an inclusive, equitable USDA. The program complements other assistance made possible through the IRA, including assistance for distressed borrowers.
STRATEGIC OUTREACH
Strategic Outreach

• Facilitate Education—Technical Assistance
  – Farm Management/ Farm Bill-Policy Development
  – Financial / Tax/ Business /Marketing Planning
  – Cooperative Development
  – Heirs Property
    – Overview /Prevention /Resolution
  – Other Technical Support
• Curriculum Development
• Train-the-Trainer Workshops—November 29/30
  – Across land grant community/CBOs
• Tools-Multi-media/Techniques—Best Practices
Strategic Outreach

- **Outreach**
  - Newsletter -- Quarterly
  - Podcasts and Webinars for Policy Education and Updates
  - Educational podcasts, --
    "The Policy Center Live"
    - Introduction to the SDFR Policy Center
    - What is the Farm Bill?
    - Fixing the Issues Surrounding Heirs Property
    - Heirs Property and the 2023 Farm Bill
    - Inflation Reduction Act
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Questions / Wrap-up
WHITNEY SAWNEY

Director of Communications and Policy
Native American Agriculture Fund
Ownership and Investment in U.S. Farmland

Whitney Sawney
Director of Communications and Policy
Native American Agriculture Fund
Healthy Lands, Healthy People, Healthy Economies

NAAAF is the largest philanthropic organization devoted solely to serving Native American farming and ranching communities.
NAAF Overview

- Founded in 2018 as a private charitable trust created by the settlement of the Keepseagle v. Vilsack class-action lawsuit
- Supports Native farmers and ranchers in:
  - business assistance
  - agricultural education
  - technical support, and
  - advocacy services
- Eligible grant recipients are:
  - 501(c)(3) organizations
  - Educational organizations
    - Including K-12 schools and college-level institutions
  - Community Development Financial Institutions (CDFIs)
  - Tribes
    - State and federally recognized
    - Instrumentalities
• Historical issues with Native American land ownership
• Inadequate access to agricultural land
• Role of tribal sovereignty in land management
• Preservation of traditional agricultural practices
• Complex legal frameworks and barriers to accessing capital
• Land ownership in tribal communities and food security
• Investing in agricultural infrastructure
$3.54 billion in farm production only accounts for 7.8% of total “food dollar.”
The Economic Impacts

$45.4 billion in potential value of Native food and agriculture sectors

Potential Value of Native Agriculture Sector in Billions
Rural Populations

An investment in Indian Country’s food and agriculture infrastructure is an investment in rural America’s economic future.
Land Management Resources in Indian Country

- Indian Land Tenure Foundation
- Intertribal Agriculture Council
- Indigenous Food and Agriculture Initiative
- Native Farm Bill Coalition
- Village Earth – Native Land Information System
Native Land Information System

• Agricultural revenue on reservations and what percentage goes to Native farmers vs non-Native farmers
• Native land acreage and leasing
• Environmental risks for Native lands (drought, wildfire)
• Ground water on Native lands
• Much more
• Nativeland.info
THANK YOU

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farmfoundation.org/friends

We hope to see you at a future event!

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