

Beginning Farmers & Ranchers at Center of new Adams, Strickland, Welch bill



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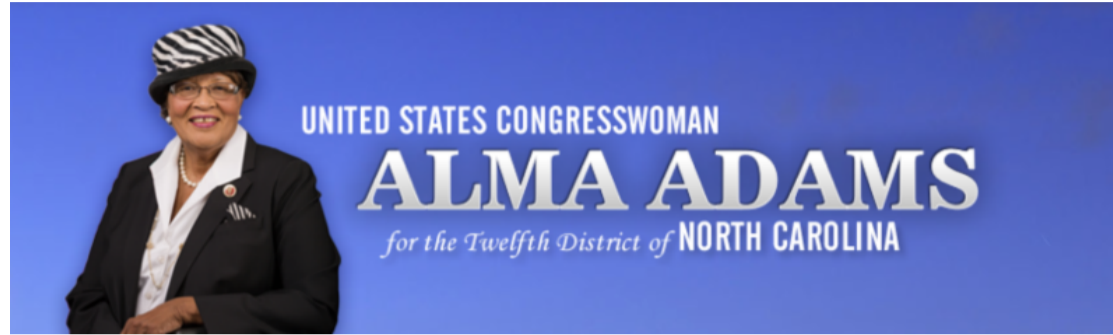
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Legislation Would Establish Pilot Program to Offer Long-Term Loans

WASHINGTON, DC – Today, **Congresswoman Alma S. Adams, Ph.D.**, a senior member of the House Agriculture Committee, joined Congresswoman Marilyn Strickland (WA-10), and Senator Peter Welch (D-VT), to introduce the bicameral Capital for Beginning Farmers and Ranchers Act. The bill will help new farmers and ranchers address early financial challenges.

“New and beginning farmers and ranchers are the future of our food system, and they need support now to position themselves and their small businesses for success,” **said Congresswoman Adams**. “This pilot program would bring needed attention to beginning farmers – including almost half of the producers in Mecklenburg County – within the Farm Service Agency, and ensure they could access things like long-term loans, flexible financing terms, and technical assistance that strengthen their operations. I’m excited to introduce the Capital for Beginning Farmers and Ranchers Act with Rep. Strickland and Sen. Welch, who recognize the need to tailor USDA’s sometimes one-size-fits-all offerings to farmers who are only getting started and enliven the conversation about beginning farmers and ranchers in ongoing Farm Bill deliberations.”

“New farmers starting their businesses often face financial barriers,” **said Rep. Strickland**. “This bill will give farmers immediate access to capital as they begin their farming operations.”

“Supporting aspiring and beginner farmers is key to ensuring the long-term sustainability of our food systems and the health and welfare of our communities. Start-up funds are vital to building a business in any industry, and farming is no exception. Yet for many beginning farmers—especially first-generation and farmers of color—financial barriers can make it difficult to break ground on their farm,” **said Senator Welch**. “Our bicameral bill will make it easier for beginning farmers in Vermont, North Carolina, Washington, and across the country to start and maintain farming operations.”

“Many of the beginning farmers we work with face a fundamental challenge in obtaining intermediate term capital. During 2023, half of our borrowers were farmers of color, many of them former farm workers. As they establish themselves in California agriculture, they need time to accumulate working capital and invest in critical startup costs like payroll, bookkeeping systems, and small equipment to ensure long-term success. The USDA Farm Service Agency typically rolls these costs into annual operating loans, leading borrowers to under-invest in start-up capacities and limiting their ability to establish a financial cushion and build equity,” **said Reggie Knox, CEO, California FarmLink**.

“The Capital for Beginning Farmers Act proposes an innovative, yet balanced, pilot loan program that will serve a real need to uplift the next generation of farmers, who often struggle to finance start-up costs and repay loans within the first year of operation,” **said Billy Hackett, Policy Specialist at the National Sustainable Agriculture Coalition**. “If successful, the pilot might even pave the way for lenders, including USDA, to enter into more reciprocal lending arrangements with borrowers, investing in the long-term health of their farm businesses.”

“We’re grateful to Senator Welch, Representative Strickland, and Representative Adams’ steadfast support of beginning farmers. Making a start as a farmer is particularly challenging for first generation farmers, and farmers of color who have been unfairly excluded from access to land and capital,” **said Grace Oedel, executive director of**

the Northeast Organic Farming Association of Vermont. "This bill will expand opportunities for many farmers we serve to secure financing that sets them on a path to profitability."

Beginning farmers often face immediate financial hurdles during their first years of operation. This legislation directs the Farm Service Agency (FSA) to develop a multi-year loan pilot program to address financing challenges for beginning farmers and ranchers.

The bill is endorsed by the Agriculture and Land-Based Training Association (ALBA), California Certified Organic Farmers (CCOF), California Coastal Rural Development Corporation, California FarmLink, California Association for Micro Enterprise Opportunity, Community Farm Alliance, DSupt Consulting LLC, Farm to Table – New Mexico, HEAL (Health, Environment, Agriculture, Labor) Food Alliance, Institute for Agriculture and Trade Policy, National Center for Appropriate Technology, National Sustainable Agriculture Coalition, New Entry Sustainable Farming Project, Northeast Organic Farming Association of Vermont, Ohio Ecological Food and Farm Association, Organic Valley | CROPP Cooperative, Pasa Sustainable Agriculture, Practical Farmers of Iowa, Rural Advancement Foundation International, Rural Coalition, World Farmers, and Feed the Hunger Fund.

Rep. Jimmy Panetta (CA-19) is a co-sponsor of the bill.

You can read the full legislation [here](#).

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Congresswoman Alma S. Adams, Ph.D. represents North Carolina's 12th Congressional District (Charlotte, Mecklenburg County, Cabarrus County) and serves on the House Committee on Agriculture and the House Committee on Education & the Workforce, where she serves as ranking member of the Workforce Protections Subcommittee.

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