

HB 2730 -1, -2 STAFF MEASURE SUMMARY

House Committee On Agriculture, Land Use, Natural Resources, and Water

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/17, 3/26

WHAT THE MEASURE DOES:

The measure establishes a beginning farmer and rancher incentive program in the Oregon Department of Agriculture.

Detailed Summary

Establishes the Beginning Farmer and Rancher Incentive Fund in the State Treasury and establishes the beginning farmer and rancher incentive program (program) in the Oregon Department of Agriculture (ODA) to support beginning farmers and ranchers in Oregon. Directs ODA to, through rulemaking, prescribe:

- Participation eligibility criteria
- Participation terms and conditions
- Incentive types that may be provided which may include loan repayment subsidies, stipends, and scholarships for specified higher education programs
- Criteria for funding prioritization
- Financial penalties for individuals who fail to comply with established terms and conditions

Authorizes ODA to contract with one or more public or private entities to administer the program or parts of the program and specifies that ODA may receive gifts, grants, or contributions from any source for implementation. Directs ODA to award scholarships for the next academic year by September 1.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 The amendment adds an appropriation of \$400,000 from the General Fund for deposit into the Beginning Farmer and Rancher Incentive Fund. It also declares an emergency and becomes effective on passage.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

-2 The amendment changes the date when the Oregon Department of Agriculture is must award scholarships for the next academic year from September 1 to **April 1**.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

BACKGROUND:

The U.S. Census of Agriculture estimates there to be ~70,000 producers in Oregon with an average age of ~58 years. The increasing age of agricultural producers is of interest to farm policy discussions, as it represents an indicator of how and when farm operations will be transferred to the next generation of producers. New and beginning producers, i.e. those with less than 10 years of experience, constitute between 20-43% of Oregon's

producer population. While new producers are most heavily concentrated in Deschutes, Crook, Josephine, and Jackson counties - where they account for over 40% of all producers -, they are active in every county of Oregon.

PRELIMINARY