

Sustainable Agricultural Land Tenure: Issues for Iowa

Prof. Neil D. Hamilton, director
Agricultural Law Center, Drake
University, Opperman Chair of Law

Topics to Consider

1. 2008 Farm Bill provisions –
<http://agriculture.senate.gov/>
2. The Landowners Options and role of Iowa Natural Heritage Foundation
3. Sustainable Agricultural Land Tenure Project
4. Wind law issues
5. Proliferation of land agreements - manure
6. Iowa land use law – reforms?

21 Provisions of the 2008 Farm Bill Iowa Farm Realtors Should Know

The 2008 Farm Bill – formally the Food, Conservation, and Energy Act of 2008 – had a long and difficult road to passage. But after final enrollment, a second Presidential veto and another Congressional over-ride vote to deal with the missing trade title issue – the bill will become law sometime in June. The bill involves fifteen titles, hundreds provisions, and over 630 pages of legislative text. It will shape the economic and political structure of agriculture and rural America for many years. Every section of the bill is important to someone, but the following discussion identifies twenty-one provisions with particular importance for rural land matters.

Conservation

1. Conservation Stewardship Program - \$1.1 billion in new funding, \$12 billion over 10 years, enroll 115 acres by 2017, program streamlined and available nationwide [§2301]
2. Increased Funding for Environmental Quality Incentives Program (EQIP) – additional \$3.4 billion over 10 years [2501 et seq.]

3. Wetland Reserve Program (WRP) – \$1.3 billion in new and restored funding, to add 1.2 million acres over 5 years [§2201 et seq.]
4. Wildlife habitat, Grassland Reserve and Farmland protections – the bill includes new funding for a variety of programs to assist landowners protect fragile and unique land resources [§§ 2602, 2401, 2403]

5. Conservation Reserve Program transition incentives for beginning farmers - \$25 million over 10 years to encourage owners of CRP land coming back into production to rent or sell to beginning farmers [§2111]

6. Cooperative Conservation Partnerships

Initiative – new mandatory requirement 6% of all USDA working lands conservation funding be delivered through state and local partnerships, including NGO's, focus on local and innovative solutions to agro-environmental problems, 90% of funding allocated by states [§2707]

7. Report on long-term nature of conservation easements – requires USDA prepare comprehensive study for Congress by January 2010 on the long-term nature and effects of using conservation easements [§2210]
8. Two year extension of tax incentives for conservation donations – expanded tax treatment under §170 [§15302] see <http://www.lta.org/publicpolicy/index.html>

9. Environmental Services Markets – There is much attention to expanding environmental services for which landowners may be paid. One example is the market for carbon credits relating to farm practices. The law requires the Secretary to develop technical guidelines and protocols for being able to determine how to report, measure and verify environmental services, such as carbon sequestration from agriculture [§2709]

10. Improves Beginning Farmer down payment loans – provides lower interest rates, better terms, and higher maximums for first-time land purchases, to increase number of borrowers using program [§5004]

11. Beginning Farmer Development Program – provides \$75 million over 4 years for USDA to establish competitive grants for education, extension, outreach, and assistance for new farming opportunities [7410]

12. Beginning Farmers Individual Development Accounts Pilot – new 15 state pilot program to promote matched savings accounts, proceeds to be used for capital expenditures for farms, including land acquisition [§5301]
13. Beginning Farmers contract land sales – makes permanent and nation-wide the USDA pilot program to provide federal loan guarantees for private land contract sales [§5005]

14. Conservation loan guarantees – revises conservation loan program and provides priorities for beginning farmers [§5002]

Rural Development

15. Rural Broadband Access – improves program for expanding access to broadband in rural areas to assist businesses, farms and families, simplifies applications [§6022]
16. Micro-enterprise assistance – provides 415 million to create new rural micro-enterprise assistance program for low and moderate income individuals to establish new small businesses in rural areas, long-terms loans of less than \$50,000 [§6022]

17. Community Forestry and Open Space Conservation – provides matching funds for county and local governments and non-profits to purchase private forests threatened by development [§8003]
18. Healthy Forest Reserve – provides for long-term conservation easements on privately owned working forests [§8205]

19. Biomass – creates and funds new program to encourage farmers to plant and grow biomass crops in area around biomass facilities, provides matching payments for biomass delivered to facilities [§9001 and §9011]
20. Funding for popular §9006 energy grants and loans – provides \$250 million in mandatory funding for grants and loan guarantees for renewable energy and energy efficiency systems for farmers and ranchers [§9001

21. Comprehensive Study on Biofuels – In recent months US policy to use of food crops for biofuels has come under increasing scrutiny and criticism from officials in other countries concerned about the impact US policy is having on world food supplies and prices. The bill requires the involved US agencies to work with the National Academy of Sciences to report to Congress within 6 months on the impact of US policies [§15322]