HB 3090 -1 STAFF MEASURE SUMMARY

House Committee On Agriculture and Land Use

Prepared By:Laura Kentnesse, LPRO AnalystSub-Referral To:Joint Committee On Ways and MeansMeeting Dates:3/14, 4/9

WHAT THE MEASURE DOES:

Establishes a beginning farmer and rancher incentive program (Incentive Program) for the purpose of assisting beginning farmers and ranchers in Oregon. Directs the Oregon Department of Agriculture (ODA) to determine participant eligibility criteria, Incentive Program terms and conditions, and fund distribution prioritization, penalties, and the types of incentives that may be provided, including but not limited to: loan repayment subsidies, stipends, and scholarships for farming and ranching programs at in-state higher education institutions. Specifies that eligibility requirements must give preference to applicants who commit to producing food for local and regional markets, or commit to using organic practices. Allows ODA to enter into contracts with public or private entities to administer all or parts of the Incentive Program. Establishes the Beginning Farmer and Rancher Incentive Fund (Fund) and continuously appropriates Fund moneys to ODA to carry out the Incentive Program.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Deletes provision that eligibility requirements must give preference to applicants who commit to producing food for local and regional markets, or commit to using organic practices.

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

BACKGROUND:

In a 2011 survey of farmers and aspiring farmers conducted by the National Young Farmers' Coalition, the lack of capital, including the lack of access to credit was ranked the top challenge facing beginning farmers. Beginning farmers have difficulty accessing credit through traditional commercial loans because, by definition, they have never owned a farm and often have little experience. The 2013 legislature established the Beginning and Expanding Farmer Loan Program to facilitate loans for farmers and ranchers to finance acquisition of approved agricultural projects.

House Bill 3090 would establish a beginning farmer and rancher incentive program and fund for the purpose of assisting beginning farmers and ranchers in Oregon.