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Farm Bill Primer: Support for Veteran Farmers and Ranchers

The lead-up to the 2018 farm bill has seen efforts to expand support for U.S. veterans who want to become farmers and ranchers. Several farm bill programs already provide support for veteran farmers and ranchers, generally as part of programs and provisions that broadly address the needs of beginning farmers and ranchers (BFRs). Legislation introduced in the 115th Congress could provide additional support specifically for veteran farmers and ranchers.

Farm Bill Support for Veterans

Several programs authorized in the 2014 farm bill (Agricultural Act of 2014, P.L. 113-79) provide financial and resource management support to help U.S. veterans transition to farming or ranching and to maintain successful farming or ranching businesses as part of broader efforts to support other BFRs.

USDA reports that the rural post-9/11 veteran population rose from 200,000 in 2006 to more than 400,000 in 2016 and now accounts for about 13% of the total rural veteran population.

Under existing U.S. Department of Agriculture (USDA) programs authorized in the farm bill, the term *veteran farmer or rancher* is defined in statute to mean a farmer or rancher who has served in the Armed Forces—covering the U.S. Army, Navy, Marine Corps, Air Force, and Coast Guard (38 U.S.C. 101(10))—who “has not operated a farm or ranch; or ... has operated a farm or ranch for not more than 10 years” (7 USC §2279(e)(7)). This statutory definition was established as part of the 2014 farm bill. The last farm bill also authorized the creation of a Military Veterans Agricultural Liaison position at USDA.

The 2014 farm bill also added support for veterans to USDA’s Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers—also known as the Section 2501 program. The Section 2501 program provides resources, outreach, and technical assistance to veteran farmers or ranchers (among other eligible entities) through grants, contracts, and other agreements. Grants support a range of activities, including farm management, financial management, marketing, and application and bidding procedures. Funding for the program is mandatory and is \$10 million for each fiscal year through FY2018.

The 2014 farm bill also expanded the Beginning Farmer and Rancher Development Program (BFRDP), which also funds training, education, outreach, and technical assistance to BFRs. Among other changes to BFRDP is a requirement that not less than 5% of available funding be used to support programs and services that address the needs of veteran farmers and ranchers. Mandatory funding for the program is set at \$20 million annually through 2018.

The 2014 farm bill also required that BFRs, including veterans who produce value-added products, receive priority consideration for grants under the Value-Added Producer Grant program. The law also gives BFRs, including veterans, preferential rules on USDA’s microloan program. Finally, the law added veterans to existing conservation provisions specific to beginning and socially disadvantaged farmers and ranchers, making veterans eligible for increased cost share assistance, additional financial incentives, and funding preference under certain programs (see **text box**).

2014 Farm Bill Provisions Addressing Veterans

- **Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers (Section 2501 Program)** (§12201)—Provides resources, outreach, and technical assistance through grants.
- **Beginning Farmer and Rancher Development Program** (§7409)—Funds training, education, outreach, and technical assistance to BFRs.
- **Value-Added Producer Grants** (§6203)—Gives beginning farmers, including veterans, who produce value-added products priority consideration for grants.
- **Microloans to BFRs** (§5106)—Made permanent the USDA’s microloan program, providing beginning and veteran farmers preferential rules on microloans (§5106(b)).
- **Conservation Reserve Program Transition Incentives Program (CRP-TIP)** (§2006(b))—Adds veterans to the portion of the program that facilitates transfers of expiring CRP land from retired/retiring farmers to beginning and socially disadvantaged farmers or ranchers.
- **Environmental Quality Incentives Program and Conservation Stewardship Program** (§§2604, 2606, 2203)—Adds preference for veterans receiving financial and technical conservation assistance.
- **Outreach to Military Veterans** (§12304)—Establishes a USDA position of Military Veterans Agricultural Liaison to help veterans prepare for careers in farming or ranching.

Source: CRS from USDA information. Other information is at USDA’s website (<https://newfarmers.usda.gov/veterans>).

Other USDA programs support veteran farmers and ranchers as part of broader efforts that support new and beginning farmers and ranchers. Policies supporting BFRs generally date back to the early 1990s and have continued to be part of subsequent farm bill debates. USDA programs that specifically support BFRs include crop insurance, disaster assistance, loans and grants, loan repayment assistance, tax benefits, conservation assistance, training and education, transition assistance to convert to certified organic agriculture, and programs to match retiree landowners with buyers. While many USDA programs are generally available to all U.S. farmers, others specifically target new farmers. For a list of such targeted programs, see

CRS In Focus IF10641, *Farm Bill Primer: Federal Programs Supporting New Farmers.*

Veterans may be eligible for and served by other farm bill programs in other USDA mission areas, but these benefits and services are not specific to veteran farmers and ranchers. For instance, low-income veterans may be eligible for food assistance from nutrition title programs, or veterans living in rural communities may be eligible for housing, employment, and other community services from rural development title programs.

USDA also partners with other federal agencies to support veterans. For example, the Department of Defense-USDA Partnership for Military Families project supports a range of professional development and workforce development opportunities for veterans and their families. Services are delivered through land-grant universities and the state Cooperative Extension System, which provide a range of educational and technical assistance to new farmers and assistive technologies for farmers with disabilities.

Other Federal Agency Support

Other federal agencies also provide a range of services supporting veteran farmers and ranchers that generally fall outside the farm bill debate. Examples include the U.S. Small Business Administration's (SBA) Boots to Business program, which provides support to veterans through entrepreneurial education and training. The Department of Veterans Affairs also provides entrepreneurial development, education and training, and business services through the Post-9/11 GI Bill (see CRS Report R42785, *GI Bills Enacted Prior to 2008 and Related Veterans' Educational Assistance Programs: A Primer*, for more information). On-farm training is also available.

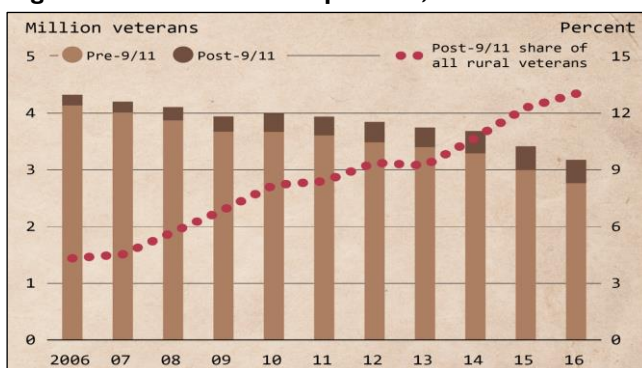
Data and Characteristics

USDA reports that the rural post-9/11 veteran population increased from 200,000 in 2006 to more than 400,000 in 2016 (**Figure 1**). Post-9/11 veterans account for about 13% of the total rural veteran population, up from about 4%. Nevertheless, overall, the rural veteran population has been decreasing. USDA data also indicate that working-age veterans tend to rely more on employment in manufacturing and far less on agriculture compared to elder veterans (**Figure 2**). Data are not available on the number of veterans who wish to enter farming or ranching.

Efforts to Expand Support for Veterans

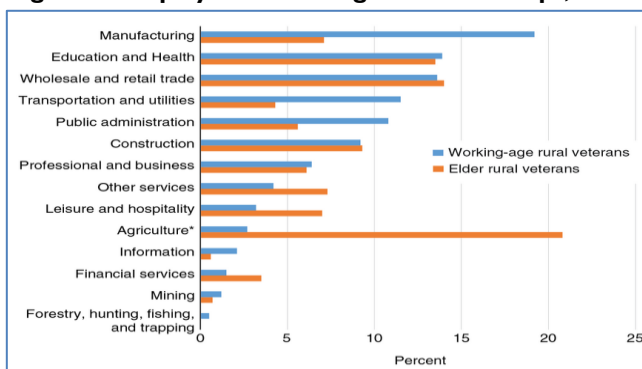
A number of bills have been introduced that could expand farm bill support for veteran farmers and ranchers. For example, the Veterans' Agricultural Apprenticeship Act of 2017 (H.R. 4339) would establish a USDA loan program to support mentorship and apprenticeship opportunities for veterans. The Veteran and Beginning Farmers Assistance Act (H.R. 3667) would provide for a five-year extension of the Appropriate Technology Transfer for Rural Areas (7 U.S.C. 1932(i)(4)) program, which provides information and technical assistance to farmers, ranchers, extension agents, and educators and is mostly funded through a cooperative agreement with USDA's Rural Business-Cooperative Service. Veterans are also specifically identified as eligible for programs in other introduced legislation (e.g., S. 909, S. 499).

Figure 1. Rural Veteran Population, 2006-2016



Source: Economic Research Service from Census Bureau data.

Figure 2. Employment Among Veteran Groups, 2015



Source: USDA, *Amber Waves*, September 2015.

Earlier legislative initiatives supporting veteran business startups have involved agencies other than USDA. In the 114th Congress, the Veterans Entrepreneurial Transition Act of 2015 (S. 1870, S.Rept. 114-411) would have covered certain business costs for veterans to start or acquire qualifying business enterprises (as determined by SBA).

In April 2016, a Senate Subcommittee on Appropriations conducted a hearing to "Review Opportunities and Benefits for Military Veterans in Agriculture." At the hearing, USDA's Military Veterans Agricultural Liaison asserted certain program needs. Examples cited included the need for additional support for both BFRDP and USDA's Office of Advocacy and Outreach in order to continue outreach, education, and training for underserved farmer and rancher groups. Other identified needs included support for USDA Farm Service Agency offices, administration of the farm loan and microloan programs, and support for USDA's conservation programs that provide priority preferences for veterans. The need for education and training, as well as horticultural therapy for veterans, was also emphasized. Separately, also in 2016, two House Agriculture Committee hearings reviewed veteran farmer contributions to food security and the experiences of veterans regarding agriculture and national security.

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