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SOURCES OF GOVERNMENT FUNDING FOR REGENERATIVE FARMERS IN THE UNITED STATES

Tejas Srikanth

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INTRODUCTION

The United States' agricultural system is largely dependent on financial programs implemented by the federal government through each iteration of the Farm Bill, with subsidization accounting for the greatest economic impact in the agribusiness sector. Out of the \$119.6 billion in net farm income that was earned in 2020, 39% was a result of "direct government aid," which translates into \$46.5 billion in total government assistance.¹ According to the CATO institute, the U.S. government has provided farmers with approximately \$425 billion in "current-dollar subsidies" since 1995.

Although the government plays a massive role in generating farm income, such aid traditionally benefits large-scale farms that produce a handful of commodity crops such as corn, soybeans, and wheat. Access to consistent financial support is often lacking for producers engaging in alternative practices such as regenerative agriculture. Although this paper will outline various forms of funding that are available to these farmers, it can be difficult for farmers to learn about or access these resources in a centralized manner. As more farmers and ranchers shift towards decommodified regenerative operations, increased opportunities for direct funding, technical assistance, marketing of products, and outreach related to sustainable agricultural practices will be needed.

Many prevalent forms of government assistance—such as the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs—are designed to best fit the needs of larger, conventional farming operations. This means that farmers and producers transitioning towards regenerative agriculture may find it difficult to access resources that serve their specific needs and goals.

This all raises the following question: What sources of government funding are available to advance regenerative agriculture in the United States?



RESOURCES AVAILABLE TO REGENERATIVE FARMERS

Although the degree of government assistance and scale of funding is noticeably smaller for regenerative farmers hoping to maintain, expand, and/or intensify their operations, a handful of programs exist that can aid these producers across the local, state, regional, and national scales. The main categories of government aid for regenerative farmers and ranchers include:

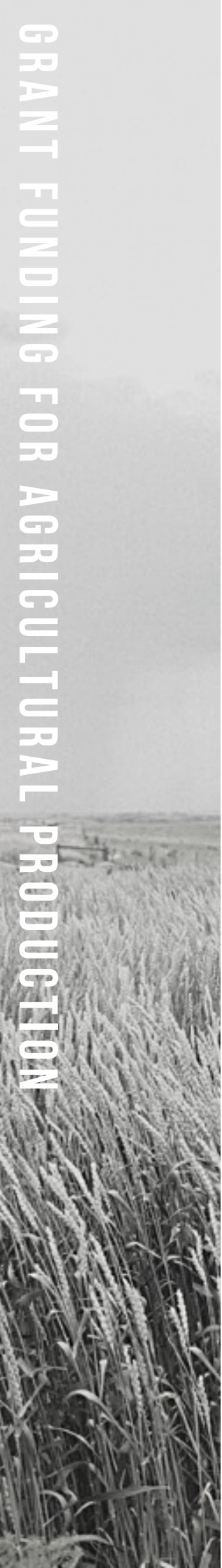
- I.) Grant funding that can be placed directly towards farm costs and market offtake activities
- II.) Conservation programs that can promote on-site sustainability initiatives
- III.) Research funding and technical assistance programs that can help farmers learn how to diversify their crop rotations, improve their growing practices, and transition into a more regenerative operation as a whole
- IV.) Credit programs (loans & insurance) via the USDA's Farm Service Agency (FSA)

Other forms of support include equity-driven programs for beginner, socially disadvantaged, and veteran farmers. These programs—in addition to the primary support programs mentioned above—vary in the amount of money and assistance that they can provide, the initiatives that funding can be used towards, and the frequency of funding availability from year to year. Deciding on the program that best suits one's operation will depend on the specific farm context, the steward's future goals for production, sustainability initiatives under consideration, and the producer's socioeconomic status. While many of these programs are meant to assist producers in starting a farm operation, in practice they are more geared towards those who are already well-established in the U.S. agricultural landscape.



GRANT FUNDING FOR AGRICULTURAL PRODUCTION

A number of grants are available to farmers across the country through the USDA's Natural Resources Conservation Service (NRCS), EQIP (Environmental Quality Incentives Program), and various state and local programs. Funding can be used directly to expand local and regional food production, incorporate value-added products into farm sales, experiment with alternative methods of crop production, increase food safety, and more. Those eligible for these grants include (but are not limited to) farmers, ranchers, NGOs, and tribal groups. Many of the conservation-related programs could fall into this category as well, but they will be discussed separately given that they apply directly towards sustainability initiatives rather than production goals and market offtake.



I.) EQIP GRANTS:

ORGANIC PRODUCTION AND HIGH TUNNEL INITIATIVE

Description: The Environmental Quality Incentives Program, or EQIP, is a NRCS program designed to provide both financial and technical assistance to farmers and farm managers in order to “address natural resource concerns” including air and water quality improvements, water conservation, protection and improvement of soil health, and climate change mitigation. Specific practices that would apply to this program include cover cropping, “climate-smart” irrigation, and forest stand improvement. Although there are a variety of specific grants under the EQIP umbrella, two specific programs that would be of particular interest to regenerative or transitioning producers are the Organic Production and High Tunnel Initiative programs.

The Organic Initiative³ is designed for both organic certified farmers and ranchers as well as those transitioning to organic production and requires a conservation plan. These plans include activities such as improved irrigation efficiency, the establishment of on-site buffer zones, the creation of pollinator habitat, and more. This program rewards up to \$140,000 over the course of four years. As stated previously, eligible participants are those who are organic producers, transitioning to organic production, or are willing to work towards establishing an Organic System Plan to meet National Organic Program guidelines as defined by the USDA.

Advantages: The Organic Initiative applies to a wide range of practices and improvements ranging from soil health to water conservation and pest management.

Limitations: Producers are only eligible for this program if they either already work within the USDA organic framework or are willing to work within these guidelines.

EQIP’s High Tunnel System Initiative⁴ provides “cost-share funding and technical assistance” to producers hoping to construct high tunnels (also known as hoop houses) on their farms in order to extend their growing season and provide local food to their communities throughout the year. High tunnels are also ideal for producers looking to shield their plants from external harms such as pests and extreme weather.

Advantages: This EQIP program helps producers improve plant and soil quality while extending the growing season for a diversified selection of crops.

Limitations: Once obtained and constructed, it can be quite difficult to move the location of high tunnels, so careful planning and consideration must occur before you apply for this program.



II.) USDA'S LOCAL FOOD PROMOTION PROGRAM (LFPP)⁵

Description: For producers and local food businesses looking to expand producer-to-consumer connections within their area, the USDA's Local Food Promotion Program (LFPP) may be beneficial to consider. The LFPP assists with projects that help expand locally and regionally-produced agricultural products through consumer marketing and marketing research as well as technical assistance. Grant funding from the LFPP can be utilized by individuals hoping to start a business to help strengthen local and regional food systems or to expand on currently existing operations within this space. Grant eligibility extends to businesses that "process, distribute, aggregate, or store locally or regionally produced food products." Funding varies based on project, but \$43.5 million is available through the LFPP in 2022.

Advantages: Various entities are eligible to apply for the USDA's LFPP, including CSA networks, food councils, local governments, tribal governments, agricultural businesses/co-ops, and economic development corporations.

Limitations: The LFPP requires a 25% match, meaning that interested parties should have funds on hand before starting the application process.



CONSERVATION FUNDING AND EASEMENTS⁶

Sometimes, the best way to treat agricultural land is by limiting agricultural production. This could involve combining crop production with the planting of non-crop species, or simply leaving land un-tilled and allowing it to regenerate to its former capacity. Conservation funding is an incredibly popular and pertinent method for encouraging producers to incorporate holistic land management and practice land stewardship. The various forms of USDA conservation funding that exist seek to help farms move away from practices that pollute waterways, degrade soils, and destroy wildlife habitat in favor of those that improve air and water quality, restore soils, reestablish wildlife habitat, and reduce greenhouse gas emissions that contribute to anthropogenic climate change. The particular mechanisms that help drive this transformational shift include incentive programs, easements, contracts, and more.

I.J NRCS REGIONAL CONSERVATION PARTNERSHIP PROGRAM⁷

Description: Offered by the National Resources Conservation Service, the Regional Conservation Partnership Program (RCP) helps promote responsible and sustainable use of natural resources in addition to “conservation, protection, and restoration” of “soil, water, wildlife, and agricultural resources.” Projects that are eligible for RCP funding account for both agricultural land and regional watersheds, making this program slightly more unique in its applications.

NRCS estimates reveal that \$300 million will be awarded annually through this program between 2022 and 2023. This program is also unique in that farmers and ranchers cannot directly apply for funding and instead must engage with “partner entities” who work tangentially with these groups. Projects that can be funded through this program touch on themes of nutrient pollution reductions in local waterways, carbon sequestration, resource assessments & monitoring, and conservation design. It is also important to note that 50% of funding offered by the RCP applies to projects in “Critical Conservation Areas,” or CCAs. The CCA of interest to Colorado farmers, for example, would be the Colorado River Basin, whose primary resource concerns (as defined by the USDA) are “inadequate habitat, drought, soil quality degradation, and water quality degradation.” It is important to consider the CCAs of your own state prior to submitting an application.

Advantages: There is a large diversity of groups that are eligible to apply for RCP funding, including producer associations, Native American tribes, farmer cooperatives, and even acequias, entities that have often been left out of resource conservation conversations.

Limitations: Farmers and ranchers must be accompanied by a partner organization to apply for funding, and applications require some form of “significant contribution” from partner organizations such as in-kind services.

II.J NRCS CONSERVATION⁹ INNOVATION GRANTS (CIGS)

Description: Conservation Innovation Grants (CIGs) exist as a subprogram within the Environmental Quality Incentives Program (EQIP), but are unique in that they are used exclusively to fund conservation projects as inferred by their name. CIG funding is designated for “critical natural resource concerns” through single or multi-year projects spanning a maximum of three years. CIGs promote conservation via education, technical assistance, and community outreach programs. Project scope ranges from regional to multi-state, watershed, and nationwide. Producers should note that national and statewide applications are separate and funding is awarded on an annual basis. The exact amount of funding awarded varies based on each individual project, but \$300 million has been distributed to farmers since 2004.

Advantages: All non-federal organizations and individuals are eligible to apply.

Limitations: Each year, there is a new theme that defines projects, so farmers & organizations need to stay up to date on each year’s theme to ensure that their project fits within the scope of funding.

III.J NRCS CONSERVATION STEWARDSHIP PROGRAM¹⁰

Description: The NRCS Conservation Stewardship Program funds multi-year projects through “5-year renewable payment contracts to farmers and ranchers” in order to promote practices that maintain and improve water, air, and soil resources while simultaneously achieving economic growth through food, fiber, and fuel production. The CSP is currently the “largest federal conservation program by acreage,” accounting for over 70 million acres of cropland, rangeland, forest, and pasture, which translates to 7% of national farm and ranchland. Common practices that fit the scope of CSP funding include rotational grazing, integrated pest management, creation of pollinator habitat, and cover cropping. The CSP offers both financial and technical assistance to farmers and ranchers and is available to producers across the country. Although the CSP used to exist as an acre-based program, the 2018 Farm Bill has transitioned it to a dollar-based program that awards anywhere between \$700 million and \$1 billion in total funding each year. For each individual project, payments are maxed out at \$40,000 each year, meaning that a maximum of \$200,000 can be awarded per project over a 5-year term.

Advantages: Although applications are ranked and reviewed only once per year, producers can sign up to get involved with the CSP at any point throughout the year, meaning that there is no hard deadline for applications.

Limitations: The Conservation Stewardship Program has become increasingly competitive in recent years, so worthy applications will require considerably more time and effort from applicants.

IV.) NRCS CONSERVATION RESERVE PROGRAM (CRP)¹¹

Description: Unlike other conservation programs discussed thus far, the Conservation Reserve Program (CRP) primarily contributes to the regenerative agriculture movement by directly taking agricultural land out of production. More specifically, CRP provides funding and technical assistance to farmers in possession of highly erodible lands so that soil health can be protected in the long term. Rather than growing crops on these lands, the CRP funds initiatives that cover degraded lands with grasses and trees that act as buffer zones to prevent sediment and nutrient runoff and provide habitat for local wildlife. In regards to funding, the CRP provides yearly rental payments for producers that remove their land from production and shift to the planting of vegetation strips and buffer zones. This program provides roughly \$2 billion in annual funding, but differs from the CSP in that it is an acre-based program rather than a dollar-based program. Payments can range from \$10 to \$300 per acre.¹²

Advantages: Interested participants can sign up to get involved with the CRP at any point in time throughout the year, so there are no "specific sign-up periods" or ranking of applications/projects. This means that all eligible applicants will be automatically enrolled.

Limitations: Farmers are only eligible for CRP funding if their land has been owned and operated for at least one year prior to the first contract period, meaning that many beginner farmers might be excluded from receiving the benefits of this program.

V.) NATIONAL WATER QUALITY INITIATIVE (NWQI)¹³

Description: A component of the Environmental Quality Incentives Program (EQIP), the National Water Quality Initiative provides multi-year budgets and technical assistance to farmers and ranchers working within small watersheds to help improve local and regional water quality. Practices encouraged through NWQI funding include the implementation of filter strips, manure management, and the limitation of chemical inputs on farmland. The NWQI also provides assistance in monitoring polluted watersheds that are undergoing remediation. Not only does this initiative help to improve the quality of local and regional water resources, it also works to assist farmers by lowering input costs and increasing productivity on their lands. The amount of funding granted to applicants varies, but \$30 million in “targeted assistance” was provided to farmers and ranchers in the year 2021. This initiative has provided 220 watersheds with financial assistance and assisted 283 watersheds with developing assessments and outreach plans (as of 2022).

Advantages: This program not only offers benefits to participating farmers and ranchers, it also provides an overall benefit to the general public in the form of clean waterways and uncontaminated drinking water.

Limitations: This program is meant to provide long-term benefits and does not apply to projects that work within a short time frame.

VI.J AGRICULTURAL CONSERVATION EASEMENT PROGRAM¹⁴

Description: A combination of three previous easement programs—the Wetlands Reserve Program (WRP), Grasslands Reserve Program (GRP), and the Farm and Ranch Lands Protection Program (FRPP)—the Agricultural Conservation Easement Program (ACEP) is designed to protect productive lands by limiting non-agricultural uses. The primary goal of this program is to assist in the protection and restoration of various ecosystems as opposed to promoting additional agricultural production and economic growth. Eligible entities include tribes, local and state governments, and NGOs that possess “farmland, rangeland, or grassland protection programs.” Easements can fall into two categories: permanent and long-term, the latter translating to a period of approximately 30 years. For landowners interested in a permanent easement, payments from the USDA are variable and depend on:

1. The fair market value of the land as determined by USDA calculations,
2. An “area wide” market analysis, or
3. The landowner’s offer.

For long-term, 30-year easements, the NRCS provides payments that total 50-75% of the compensation offered for permanent easements. Examples of land eligible for ACEP funding include “farmed or converted wetlands, riparian areas that link protected wetlands,” and more.

Advantages: Conservation easements have the ability to provide the public with significant benefits such as land preservation, water quality improvements, and increased wildlife habitat. Additionally, agricultural conservation easements can be customized quite extensively to your own liking and can still allow for agricultural production if that best suits your needs.

Limitations: Landowners may lose some of the natural resource rights (i.e. water and surface rights) that accompany land purchases in the Western United States, which could lead to a reduction in overall land value.



RESEARCH FUNDING AND TECHNICAL ASSISTANCE PROGRAMS

Many major sources of financial assistance discussed thus far are designed to directly assist farmers in obtaining equipment, producing on-site structures, and physically expanding agricultural productivity to increase economic viability on their farms and ranches. With that said, there are also a number of programs designed to help producers experiment with new technologies and farming methods as well as spread knowledge to other farmers and communities regarding innovative agricultural practices that help address a number of environmental and natural resource concerns associated with conventional agriculture.

I.) WESTERN SARE GRANTS

(FARMER/RANCHER, PROFESSIONAL DEVELOPMENT, & PROFESSIONAL + PRODUCER)¹⁵

Farmer/Rancher: The Farmer/Rancher grant funds initiatives where a farmer or rancher partners with an agricultural professional (such as a technical advisor) in order to create a project that conducts both research and outreach on any topic related to sustainable agriculture. Project funding is limited to \$25,000 and can be used for projects ranging from one to three years in scope.

Professional Development: This grant has a specific emphasis on training agricultural specialists to assist them in sharing knowledge related to principles and practices in sustainable agriculture. Grants can span a period of three years in total, with the final year designed for evaluating projects. All agricultural professionals are eligible to apply, and projects can receive a maximum of \$100,000 to be used over a period of 1 to 3 years.

Professional + Producer: This grant funds projects that combine the expertise of an agricultural professional (who acts as the main applicant) and a producer to create a project that advances research and outreach on any topic related to sustainable agriculture. The project theme must consider the environmental, economic, and social dimensions related to the topic of their choosing. Primary outcomes that the project must achieve include the enhancement of producer knowledge, the engagement of relevant stakeholders, and the preservation of natural resources as it pertains to agricultural production. Funding is capped at \$75,000 per project and can supplement projects with a scope of 1-3 years.

Advantages: Several categories of Western SARE grant funding exist, so producers and producer organizations have many options to choose from.

Limitations: All SARE programs mentioned above require producers to collaborate with an external organization or group, meaning that producers cannot apply on their own.

II.) AGRICULTURE AND FOOD RESEARCH INITIATIVE¹⁶

Description: As one of the largest competitive grants offered by the USDA, the Agriculture and Food Research Initiative (AFRI) funds research projects aimed at tackling a variety of issues related to farm profitability, ranching, aquaculture, rural development, human nutrition, farm transition, and more. Although this initiative touches on six different “priority areas,” the “Agriculture Economics and Rural Communities” priority area lends most to sustainable and regenerative agricultural operations, as it focuses more specifically on themes of small and medium-sized farm profitability, beginner farmers, and local food systems. Other topic areas of interest to farmers and ranchers include plant and animal health & production as well as food safety & health. Additionally, the newly developed “Sustainable Agriculture Systems” component of the AFRI covers challenges such as increasing climate variability, bioenergy, and water conservation, all of which play a massive role in the transformation towards a more regenerative food system. AFRI grants are used specifically for “applied research, extension, and education” to cope with issues faced by producers, consumers, and local communities. Eligible applicants include universities, federal agencies, NGOs, national laboratories, and other research institutions. \$2 billion has been received from AFRI between 2012 and 2018, and projects are typically capped at a duration of 5 years.

Advantages: AFRI grants can be used to research both sustainable agriculture and human health and cover three dominant forms of production: aquaculture, agriculture, and ranching.

Limitations: Eligibility only applies to research-oriented entities and not to individual farmers and ranchers, so producers must operate under one of the categories listed above in order to apply.

III.) SPECIALTY CROP RESEARCH INITIATIVE¹⁷

Description: The Specialty Crop Research Initiative (SCRI) was developed as a response to dramatic growth in specialty crop production over the past several years that has transformed this sector into a billion-dollar industry. The SCRI funds research to assist producers struggling with marketing challenges, pest outbreaks, and regionally adapted crop production. SCRI funding supports both “regional and multi-state projects” through scientific research and producer outreach/communications. Additions were also made through the 2018 Farm Bill to incorporate the knowledge and research of specialty crop pollinators, invasive species, the soil microbiome, and specialty crop storage into the SCRI. The SCRI funds research applicable to all areas along the supply chain such as production, processing, distribution, and consumer channels. At least 10% of SCRI funding must consider its five focus areas, which are: 1.) Plant breeding and genetics research, 2.) Pest and disease identification, 3.) Production efficiency improvements and long-term profitability, 4.) Technological innovations, and 5.) Prevention, detection, and monitoring of “potential food safety hazards in production and processing.”

The amount of funding awarded to eligible applicants varies based on the project, and applicants must provide matching funds (cash or in-kind) greater than or equal to the requested amount per project. The duration of projects under the SCRI range from 1 to 5 years in length, and eligibility applies to “land-grant institutions, for-profit organizations (including small businesses), non-profit organizations, private higher education institutions, federal agencies, and State Agricultural Experiment Stations.” It should be noted that the application process occurs in two distinct stages, starting with a “Stakeholder Relevance Statement (SRS)” that must be ranked highly enough that reviewers allow applicants to proceed to the second step towards achieving funding.

Advantages: The SCRI accounts for all components of the agricultural supply chain and considers sustainability improvements at each individual level so that research provides producers with complete, comprehensive guidance for improving on-farm sustainability.

Limitations: The two-step process makes the SCRI highly competitive, as the SRS is reviewed with great vigor prior to the second step of the application.



CREDIT PROGRAMS: LOANS AND INSURANCE

Many of the popular USDA credit programs tend to be tailored specifically for industrial, conventional farming operations that focus on commodity crop production. Regenerative farmers may have trouble securing loans due to a number of complications such as a lack of credit history (as they may be newly established in the agricultural landscape), the perception of beginner farmers as “high-risk” loan recipients, and the lender’s unfamiliarity with alternative agricultural practices such as regenerative farming. Similarly, the more common crop insurance programs offered by the USDA are designed for conventional farmers who grow a few crops rather than a diverse array of plant species. In more recent years, however, the Farm Service Agency has worked to create new credit options that are more favorable for smaller, diversified operations and those which grow crops through a lens of environmental sustainability and land stewardship. Below are a few credit options that better suit the needs of regenerative farmers.

I.) FSA MICROLOANS¹⁸

Description: Microloans offered by the USDA's Farm Service Agency (FSA) are specifically tailored for beginner, young, veteran, and socially disadvantaged farmers who typically operate much smaller than average acreages. Microloans are especially useful for farmers who "serve local and regional food markets, including urban and small-scale, diversified operations." This loan funding can be used to both buy farmland and to cover operating expenses such as seeds and equipment. Microloans can provide farmers with up to \$50,000 or \$100,000 if applicants apply for both an operating and ownership microloan. Those that receive a loan must be able to repay and/or provide sufficient collateral to "secure a loan on a dollar-for-dollar basis." Eligibility extends to any farmer with "sufficient prior experience working on a farm," which includes those working in small business, self-directed apprenticeship, or who have had previous involvement with an agricultural organization. Tribal communities are also able to apply for FSA microloans.

Advantages: Microloans can be used to start a farm and maintain currently existing operations, making them a vital resource for a number of beginner and small-scale producers. The paperwork needed to apply for microloans is also minimal compared to other loan programs and is therefore easier for beginner farmers to understand and utilize.

Limitations: Producers that are not beginner or veteran farmers must adhere to the standard term limits (7 years) in which farmers can receive FSA loan assistance.

II.) FSA DIRECT AND GUARANTEED FARM LOANS¹⁹

Description: Similar to FSA Microloans, Direct and Guaranteed Farm Loans are best suited for beginner and veteran farmers as well as farmers of color who have historically been excluded from receiving government loans to improve agricultural production. These loans are also ideal for farmers who do not have a sufficient credit history to procure traditional USDA loans. Additionally, the FSA gives priority to beginner and socially disadvantaged farmers who apply for both direct and guaranteed farm loans. Uses for loan funding include farm start-up costs, equipment costs, insurance, and other operating costs. The amount funding provided is capped off at a maximum of \$400,000 and must be repaid over a period of seven years. To receive a direct farm loan, the applicant must have “participated in the operation of a farm or ranch for at least 3 out the past 10 years” and “must demonstrate sufficient education, training, and experience in managing or operating a farm.”

Advantages: Direct and Guaranteed Farm Loans are ideal for producers who have seemingly run out of options to receive any type of government funding for regenerative agricultural production.

Limitations: Applicants need to have exhausted all other options to obtain credit before applying for these loans, meaning that Direct and Guaranteed Farm Loans serve as a sort of “last resort” source of funding for agricultural operations.

III.) WHOLE-FARM REVENUE PROTECTION FOR DIVERSIFIED FARMS²⁰

Description: Whole-Farm Revenue Protection (WFRP) for Diversified Farms provides producers with a monetary safety net against risks of crop loss in cases of disaster or poor weather conditions. Traditionally, government crop protection programs apply only to one specific crop, but WFRP applies to all crops being produced within a given operation so that individual insurance policies do not need to be applied to each crop being grown. WFRP exists under two categories: yield insurance (which protects crops that fall below a designated yield amount) and revenue insurance (which protects against decreases in both yield and price). WFRP boasts coverage in every state and every county across the entire United States and provides coverage to both crops and farm animals. Producers that wish to apply must have “five consecutive years of Schedule F or other tax forms,” but only three consecutive years of farm tax forms are needed for beginner farmers and ranchers. 2,835 coverage policies were sold to producers in the year 2018, which represented “\$2.8 billion in liabilities.”

Advantages: WFRP coverage is vast, accounting for a variety of crops produced in all areas of the United States.

Limitations: Beginner farmers with limited tax documents may experience issues in applying for WFRP coverage.



EQUITY-DRIVEN FUNDING AND BEGINNER FARMERS

As seen with the loan programs described above, the USDA and related organizations have made it a point to provide financial resources to farmers who have historically been underrepresented or entirely excluded from receiving meaningful forms of government support as it pertains to farming and ranching. Below is a list of non-loan options to be utilized by socially disadvantaged farmers.

I.) OUTREACH AND ASSISTANCE FOR SOCIALLY DISADVANTAGED & VETERAN FARMERS & RANCHERS ²¹

Description: The Section 2501 Program, more commonly referred to as the Outreach and Assistance for Socially Disadvantaged and Veteran Farmers & Ranchers Program, has operated for the past 30 years and was designed to combat a long history of racism and classism that has persisted in the U.S. agricultural sector even to this day. This program provides grant funding to organizations that assist producers with farm management, marketing, outreach, and financial management. This program also helps connect socially disadvantaged farmers to other local, state, regional, and national offices of the USDA to further assist them with outreach and technical assistance. The maximum amount of funding an organization can apply for is \$250,000 per year over the course of a 3-year grant term. Matching funds of any kind are not required. Organizations that are eligible to receive funding and assistance from the program include “community-based organizations & coalitions, land-grant institutions, Indian tribal community colleges, Alaska Native cooperative colleges, Hispanic Serving Institutions (HSIs), tribal governments & organizations, and other institutions of higher education.”

Advantages: This program provides numerous forms of assistance (technical, outreach, farm planning, program applications, and more) and establishes a working relationship between government programs and minority farmers to reduce gaps in equity that have historically harmed farmers and ranchers in the U.S.

Limitations: This is the only farm bill program geared towards helping minority farmers and farmers of color. If organizations are unable to obtain funding and assistance through this program, they might have to look beyond government programs to find the help they need.

II.) BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM²²

Description: The Beginner Farmer and Rancher Development Program, Or BFRDP, is “the only federal program exclusively dedicated to training the next generation of farmers and ranchers.” The BFRDP exists within the USDA’s National Institute of Food and Agriculture (NIFA) and funds activities ranging from education and outreach to technical assistance and extension. Additionally, this program supports financial literacy training as well as mentorship and apprenticeship opportunities. The BFRDP also provides educational opportunities and training for beginner farmers and ranchers on the topics of conservation, production practices, risk management, credit management, food & farm safety, crop & product diversification, and marketing. BFRDP grants can reward up to \$200,000 per year over a 3-year grant period. Organizations can also complete a simplified application to obtain single grants totaling less than \$50,000. Eligibility extends to “collaborative state, tribal, local, or regionally-based networks or partnerships of public and private groups.” This includes NGOs, community-based organizations, educational programs and organizations, extension programs, community colleges, and tribal organizations.

Advantages: BFRDP funding can be used to directly support farming operations or to educate and train farmers on best practices, making it ideal for those who are interested in farming but lack the tools and skills needed to get started on their own operations.

Limitations: Only organizations can apply for BFRDP funding rather than actual beginner farmers and ranchers, so producers interested in this program must seek partnership with another organization.

III.) CRP'S TRANSITION INCENTIVES PROGRAM*

Description: The Conservation Reserves Program's Transition Incentives Program (CRP-TIP) incentivizes landowners to set aside valuable land for historically marginalized populations in U.S. agriculture (see page 8 for a description of the Conservation Reserve Program more broadly). The Transition Incentives Program is designed to provide land to underserved farmers who are committed to implementing sustainable cropping and grazing practices or transitioning to organic farming. CRP participants can include both those who are willing to give up land and those who are interested in acquiring it. Those who are receiving land must make "conservation and land improvements" or start the process of organic certification in order to be eligible for this program. To accomplish this, those receiving land have the option to enroll in the Conservation Stewardship Program (CSP) or the Environmental Quality Incentives Program (EQIP) to help achieve those goals. Eligible landowners include only those who are already enrolled in CRP but have expiring contracts, and they are incentivized through two additional years of CRP rental payments from the Farm Service Agency. Eligible recipients of CRP land must be classified as "underserved producers," which includes beginner farmers and ranchers, socially disadvantaged farmers and ranchers (which refers to minority farmers and farmers of color), and producers with veteran status. Underserved producers cannot be a family member of the CRP landholder if they are to be eligible for the Transition Incentives Program. Over the past ten years, there have been 3200 producers that have utilized the TIP to "transition 500,000 acres of land to underserved farmers in 29 states."

Advantages: This program tackles issues of both agricultural sustainability and social equity.

Limitations: For this program to work, there has to be a number of current landowners willing to set aside their valuable land for the purpose of advancing social equity in the realm of agriculture.

*Land enrolled in the CRP is designed to be initially left out of production so that soil can regenerate. As a result, this land is typically not designed for immediate production after transition, which may seem contradictory to the goals of the Transition Incentives Program. Farmers looking to take part in the TIP should therefore consider the other stipulations surrounding the CRP to see how long they would need to engage in conservation activities related to CRP before reinstating production on that land. Those who wish to receive land under CRP-TIP should also ensure that land donors are nearing the end of their CRP contracts.



RESOURCES FOR REGENERATIVE PRODUCERS IN COLORADO

Given that Mad Agriculture operates within Colorado and serves many of its farmers and ranchers, it is important that we include a couple of resources specifically designed for regenerative producers in the state. The two programs listed below provide direct grant funding to producers for the purpose of infrastructural improvements, the development of education and outreach programs, and more.

I.) COLORADO FARM-TO-MARKET INFRASTRUCTURE GRANT PROGRAM²⁴

Description: Recently formulated through Senate Bill 21-248 in 2021 as a response to the COVID-19 pandemic and the supply chain & food production issues that emerged along with it, the state of Colorado created this program to provide “up to \$2 million for farmers, ranchers, food processors, and manufacturers.” Up to \$150K can be awarded for each project that seeks to increase the resiliency of supply chains within the state’s food system. This grant program is meant to provide farmers and agricultural businesses with funding for equipment and technology investments for a variety of processing projects in order to increase their ability to take on value-added projects that create additional pathways for revenue streams.

Advantages: Eligibility applies to a number of agricultural entities, not just farmers, and thus should account for a diversity of projects and needs.

Limitations: This funding can be used only for agricultural processing projects.

II.) BOULDER COUNTY SUSTAINABLE FOOD AND AGRICULTURE FUND PROGRAM²⁵

Description: For those located in Colorado's Boulder County, there is a local grant that provides funding for regenerative agriculture and local food projects in the area. The Sustainable Food and Agriculture Fund Program provides grant funding to producers who work within the following five categories of food production, education, and outreach:

- 1.) On-farm regenerative agriculture and soil health practices
- 2.) Farmer/producer education, workshops, and conferences that focus on sustainable and regenerative agriculture demonstrations
- 3.) On-farm and farmer's market infrastructure
- 4.) Sustainable local food and crop production
- 5.) Programmatic and resource support for frontline farm workers and organizations.

Eligibility extends to "any registered business, official non-profit organization, or government entity." Large projects can receive a minimum of \$40,000 and a maximum of \$150,000, while small projects can receive minimums and maximums of \$2,000 and \$5,000, respectively.

Advantages: Funding can cover production costs, education & outreach programs, and costs of new farm equipment.

Limitations: Funding is only available to producers who operate within Boulder County.



FINDING THE BEST FIT

Mentioned above are roughly 20 different sources of government funding and assistance. Deciding what opportunities fit best with your operation is dependent on a number of factors ranging from the geographic scale in which they are offered (local, state, regional, national), eligibility requirements (are you a farm, non-profit organization, agricultural business, etc.?), the amount of funding offered, the type of assistance being offered (financial, technical, educational), the type of project being funded (conservation, research, local & regional food systems, etc.), and more. Even with descriptions of each funding source at your disposal, it can be difficult and tedious to read through each of them before determining what you can apply for. To help facilitate the process of finding the best fit for your farming operation, organization, or business, consult the table below.

DECISION MATRIX

| | Farmers Apply | Businesses & /Organizations Apply | Matching Funds /In-Kind Services Required | Technical Assistance | Research | Education | Outreach | Resource Conservation | Under-served Farmers & Ranchers | Infrastructure |
|--|---------------|-----------------------------------|---|----------------------|----------|-----------|----------|-----------------------|---------------------------------|----------------|
| EQIP Grants (Pg. 5) | ✓ | | | | | | | ✓ | | ✓ |
| LFPP (Pg. 6) | | ✓ | ✓ | ✓ | ✓ | | | | | ✓ |
| RCPP (Pg. 8) | | ✓ | ✓ | | | | | ✓ | | |
| CIGs (Pg. 9) | ✓ | ✓ | | ✓ | | | ✓ | ✓ | | |
| CSP (Pg. 10) | ✓ | | | ✓ | | | | ✓ | | |
| CRP (Pg. 11) | ✓ | | | ✓ | | | | ✓ | | |
| NWQI (Pg. 12) | ✓ | | | ✓ | | | | ✓ | | |
| ACEP (Pg. 13) | ✓ | ✓ | | | | | | ✓ | | |
| Western SARE (Pg. 15) | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | | |

| (continued) | Farmers Apply | Businesses & /Organizations Apply | Matching Funds /In-Kind Services Required | Technical Assistance | Research | Education | Outreach | Resource Conservation | Under-served Farmers & Ranchers | Infrastructure |
|---|---------------|-----------------------------------|---|----------------------|----------|-----------|----------|-----------------------|---------------------------------|----------------|
| AFRI (Pg. 16) | | ✓ | | | ✓ | | | ✓ | | |
| SCRI (Pg. 17) | | ✓ | ✓ | | ✓ | | | | | |
| Microloans (FSA) (Pg. 19) | ✓ | | | | | | | ✓ | ✓ | ✓ |
| Direct and Guaranteed Farm Loans (FSA) (Pg. 20) | ✓ | | | | | | | ✓ | ✓ | ✓ |
| WFRP (Pg. 21) | ✓ | ✓ | | | | | | | ✓ | |
| Section 2501 Program (Pg. 23) | | ✓ | | ✓ | | ✓ | ✓ | | ✓ | |
| BFRDP (Pg. 24) | | ✓ | | ✓ | | ✓ | ✓ | ✓ | ✓ | |
| CRP-TIP (Pg. 25) | | ✓ | | | | | | ✓ | ✓ | |
| Colorado Farm-To-Market Grant (Pg. 27) | ✓ | ✓ | | | | | | | | ✓ |
| Boulder County Sustainable Food and Agriculture Fund Program (Pg. 28) | ✓ | ✓ | ✓ | | | ✓ | ✓ | ✓ | | ✓ |



CONCLUSION

Although USDA programs and funding opportunities have historically favored corporate farms that bring in significant revenue, there has been a push to include programs that cater to the needs of producers who use (or hope to use) regenerative methods of production. However, because government programs have traditionally been reserved for those who farm in accordance with the status quo of U.S. agriculture, regenerative producers may not be aware that there are indeed a number of programs that could potentially serve their needs in regards to farm planning & management, technological innovation, education, marketing & outreach, and general financial assistance.

The list of resources contained in this paper is not exhaustive, but includes those which are most suitable to producers, farm organizations, and educational institutions that are engaging in regenerative work in this country.

For additional information and advice, it is always best to directly consult with your local USDA, NRCS, or extension office to see what programs are most applicable to your own operation and its various goals. Remember that many of these programs contain competitive grants and that some programs have specific timelines for the application process.

For the sake of not over-complicating this program guide, specific dates were not included, and therefore you should be sure to read from the website of the specific program that you are interested in before making your decision and beginning the application process.



ADDITIONAL RESOURCES

[EQIP Program Initiatives](#)

This paper does not contain a full list of all EQIP programs, so producers may click the link above to see the full list of EQIP initiatives in case the two mentioned here do not serve all of their needs.

[National Sustainable Agriculture Coalition Federal Funding Resources](#)

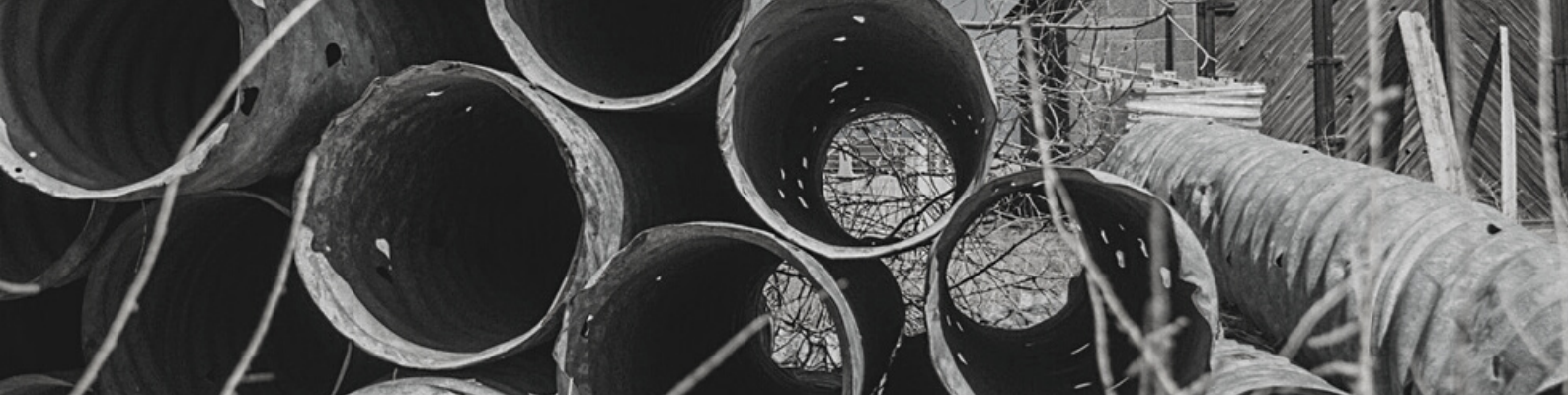
This website contains an easy-to-read chart containing a list of several government programs that serve regenerative producers. Included in this chart are links to each individual program as well as a brief description of eligibility requirements.

[USDA Guide for Sustainable Farming Programs](#)

This website provides color-coded descriptions of sustainable farming programs that are suitable for regenerative producers. It is ideal for those who best retain information through visual graphics and organization.

[Western SARE Grant Opportunities](#)

The website above contains additional grant opportunities offered by Western SARE that are not included in this paper. The additional programs found on this website may be of particular interest to researchers and students enrolled in agricultural programs at land-grant universities.



CREDITS AND REFERENCES

The resources that were analyzed to create this paper come from the websites of the following government organizations: the USDA, NRCS, and FSA. Local and state government websites, the webpages of two NGOs, and one scientific article were also consulted while creating this paper.

Government Websites

[Farm Service Agency Loan Programs](#)

[National Resources Conservation Service \(NRCS\)](#) (see left hand side for each individual category of government programs)

[USDA's National Agricultural Library](#)

[USDA's National Institute of Food and Agriculture](#)

NGOs

[National Sustainable Agriculture Coalition](#)

[Western Sustainable Agriculture, Research, and Education \(SARE\)](#)

Local and State Governments

[Boulder County Sustainable Agriculture](#)

[Colorado Department of Agriculture](#)

Scientific Article

Lincicome, S. (2020, December 18). Examining America's farm subsidy problem. CATO Institute. Retrieved April 7, 2022, from <https://www.cato.org/commentary/examining-americas-farm-subsidy-problem>



ENDNOTES

1. <https://www.cato.org/commentary/examining-americas-farm-subsidy-problem>
2. <https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/equip/>
3. https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/equip/?cid=nrcs143_008224
4. <https://www.nrcs.usda.gov/wps/portal/nrcs/detailfull/national/programs/?cid=stelprdb1046250>
5. <https://www.ams.usda.gov/services/grants/lfpp>
6. <https://www.ers.usda.gov/topics/natural-resources-environment/conservation-programs/>
7. <https://sustainableagriculture.net/publications/grassrootsguide/conservation-environment/cooperative-conservation-partnership-initiative/>
8. <https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/rcpp/?cid=stelprdb1254053>
9. <https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/cig/>
10. <https://sustainableagriculture.net/publications/grassrootsguide/conservation-environment/conservation-stewardship-program/>
11. <https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/?cid=stelprdb1041269#:~:text=The%20program%20is%20funded%20through,conservation%20planning%20and%20practice%20implementation.>
12. <https://www.fb.org/market-intel/reviewing-2020-crp-enrollment1>
13. <https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/water/?cid=stelprdb1047761>
14. <https://sustainableagriculture.net/publications/grassrootsguide/conservation-environment/agricultural-conservation-easement-program/>
15. <https://western.sare.org/grants/>
16. <https://sustainableagriculture.net/publications/grassrootsguide/sustainable-organic-research/agriculture-food-research-initiative/>
17. <https://sustainableagriculture.net/publications/grassrootsguide/sustainable-organic-research/specialty-crop-research-initiative/>
18. <https://sustainableagriculture.net/publications/grassrootsguide/credit-crop-insurance/microloans/>
19. <https://sustainableagriculture.net/publications/grassrootsguide/farming-opportunities/farm-ownership-operating-loans/>
20. <https://sustainableagriculture.net/publications/grassrootsguide/credit-crop-insurance/whole-farm-revenue-protection-for-diversified-farms/>
21. <https://sustainableagriculture.net/publications/grassrootsguide/farming-opportunities/socially-disadvantaged-farmers-program/>
22. <https://sustainableagriculture.net/publications/grassrootsguide/farming-opportunities/beginning-farmer-development-program/>
23. <https://sustainableagriculture.net/publications/grassrootsguide/farming-opportunities/crp-transition-option/>
24. <https://ag.colorado.gov/press-release/farm-to-market-grants-to-help-create-greater-resilience-in-colorados-food-supply>
25. <https://www.bouldercounty.org/environment/sustainability/ag-grant-program/>