

Proposal would offer loan forgiveness for budding farmers

By Lyndsey Gilpin, *High Country News*

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Casey Holland didn't decide to pursue a farming career until she started an internship with a food justice organization during her last year at the University of New Mexico. After graduating in 2012, she hopped around local farms, apprenticing until she found a home on Red Tractor Farm, a small vegetable spread in the SouthValley of Albuquerque.

Today, Holland wants to buy land in Albuquerque and run her own farm. But that goal feels like a pipe dream. Because of her high student loan debt, she lacks sufficient credit to even think about buying land or starting a business. When she asked for a loan to launch her own farming operation, she received an immediate "no" from the bank before she could finish her pitch.

Endangered species

The U.S. is in desperate need of young, ambitious farmers like Holland. The average age of an American farmer is 58, and only 6 percent are under the age of 35. The incoming agricultural workforce isn't even coming close to replacing the aging one. And losing independent farms has consequences: When large corporations buy up arable land, rural and low-income communities can lose access to local food, and consumers grow increasingly distant from the produce on their table. That transition has already begun. According to the National Young Farmers Coalition, a nonprofit that connects young farmers across the country, the number of beginning farmers fell by 20 percent between 2007 and 2012. One of the biggest reasons is because new farmers can't afford it or receive a loan.

"There's so many of us who want to do more, to be full-time farmers and impact communities," says Holland. "But the burden of student loan payments makes it unviable."

Student loan relief

To develop the next generation of producers, the Young Farmers Coalition is now pushing Congress and individual state legislatures to take a big step: forgiving farmers' student loans. Their hope is that loan forgiveness will help farming become a more viable career option for college students, and benefit farmers in areas where attending college may have previously been financially prohibitive. After setting up relatively successful loan forgiveness programs in New York and Wisconsin, the coalition is now campaigning in Western states such as New Mexico.

The coalition's goal is to add farmers to the Public Service Loan Forgiveness Program, a federal initiative launched in 2007 that incentivizes students to enter professions that provide a public good, but do not pay enough to manage student loan debt. Qualifying professions include teachers, nurses, doctors, public interest attorneys, government employees and nonprofit workers. After repaying what they can afford for 10 years, their federal student loan balance is forgiven.

Eric Hansen, policy analyst for the coalition, says including farmers on the public service list is important because the challenges of their profession often make it difficult to repay loans. Farmers depend on credit to get started and purchase land, livestock, and equipment, like tractors and greenhouses. The average annual income from agriculture for beginning farmers is just more than \$2,000, according to the Department of Agriculture — although new farmers also make more money from other sources of revenue. Meanwhile, the average cost of land is around \$3,000 per acre.

New York, Wisconsin push

Those difficult dynamics helped make the case in New York, which started a program to forgive new farmers' loans in 2014. The state's Young Farmers Student Loan Forgiveness Incentive Program offers recent state school graduates grants of up to \$50,000 if they farm for at least five years.

Since New York can only afford to give out 10 grants a year, the program isn't about to dramatically increase the state's agricultural workforce. But for the few who do receive loan forgiveness, like Leanna Mulvihill, a 26-year-old farmer in Germantown, New York, it can be transformative. The money allowed Mulvihill to jump-start her business, Four Legs Farm, where she raises sheep, cows and pigs. While attending college in New York, Mulvihill studied environmental engineering, which she says has made her a better steward of the land by improving her grasp of ecosystems, allowing her to plan grazing in a more responsible way. Product marketing classes in college also helped her. Loan forgiveness allowed her to buy more livestock, better equipment and more land. Without the program, she says, farming full-time "wouldn't have been an option."

Earlier this year, a Wisconsin congressman proposed a similar program to reimburse up to \$30,000 of student loans if farmers — especially those who use sustainable techniques and demonstrate financial need — stay in the state for five years.

New Mexico

In New Mexico, State Rep. Matthew McQueen, D-Bernalillo, Santa Fe, Torrance and Valencia, is trying to introduce a similar program. Last year, he started discussing legislation that would add farmers to the list of public service careers. "To me the crux of it is the idea that it's a public service," he says. "It would be another tool to help young people get into farming, which is a really difficult profession. It's just a way to help get them established."

However, such programs face many limitations, particularly a lack of funding. McQueen says the bill will stall because New Mexico won't secure funding for at least a year or two for any sort of loan forgiveness program. It's just not high on the priority list for the state. If it does get through, McQueen also wants to offer loan forgiveness options for New Mexico students who attend community colleges or technical schools rather than a four-year university, opening the door for more applicants.

Another obstacle is the paucity of data on how young farmers impact agricultural economies, which makes it harder to convince state legislatures and Congress of the merits of paying back student debt. Hansen often receives pushback on the importance and popularity of farming. It raises a perturbing question with no easy answers: Is farming truly a public service career? And if so, what other low-earning careers might be added to the list?

Expanding the ranks of the Public Service Loan Forgiveness Act will be a tough sell. Although the program remains in place, it faces tight budget restrictions. There's been no progress for higher education bills at the federal level, let alone to add farmers to the list of public service

careers, which forces the coalition to concentrate on the state level. They do it for farmers like Holland, who still dreams about owning land so she can contribute more to the agriculture industry. But, she says, “to build food resiliency, and invest in a community, you need someone to invest in you.”



A young farmer works in the field.

Kacey Kropp

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