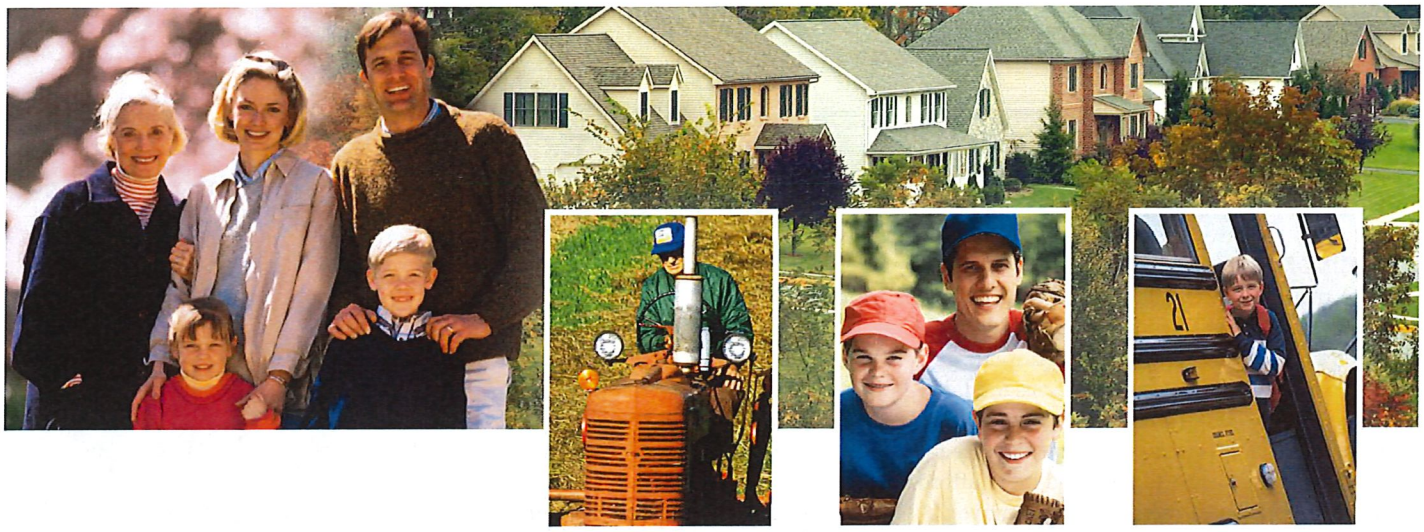

TOWNSHIPS TODAY

A NEWSLETTER BROUGHT TO YOU BY YOUR TOWNSHIP

Third Quarter 2019

Pennsylvania's First Farm Bill Invests Millions to Address Challenges Facing the Ag Industry

Pennsylvania's first-ever farm bill will invest $23.1 million to help farmers better cope with the challenges threatening their livelihoods while creating opportunities for future generations.

"The [bill] is bold, aggressive, and necessary to protect our farming heritage," Gov. Tom Wolf said at the recent bill signing, adding that these "historic investments…will improve the lives of all residents for years to come and create a pathway for a dynamic and prosperous farming economy in Pennsylvania."

"In my 20 years of public service," Ag Secretary Russell Redding said, "this is the largest investment I've ever seen made in Pennsylvania agriculture."

Pennsylvania's farms not only provide food, clothing, and other goods for people around the world, but they're also important to the economic vitality of townships of all sizes and all regions, urban, suburban, and rural.

Wolf has described the agricultural industry as "the backbone of Pennsylvania's economy."

"You don't have to drive too far in Pennsylvania to come across a farm," said David M. Sanko, executive director of the Pennsylvania State Association of Township Supervisors. "Agriculture is a significant part of the commonwealth's landscape and culture while employing thousands of township residents.

A major hurdle facing the industry, however, is that the average age of farmers is increasing. Under Pennsylvania's first-ever farm bill, landowners who rent or sell to young farmers will be eligible for a tax credit.

"The farm bill," he added, "preserves and strengthens a generational industry that is a key part of the fabric that makes Pennsylvania a great place to live, work, and raise a family."

Support for young farmers

A major hurdle facing the industry, however, is that the average age of farmers is increasing.

"Pennsylvania's farming population is getting older, and serious conversations are taking place about where the next generation will come from," Pa. Farm Bureau President Rick Ebert said. "Making access to farmland more affordable for younger farmers can help remove obstacles facing the next generation on the farm."

Under the farm bill, landowners who rent or sell to young farmers will be eligible for a tax credit.

"The lack of affordable farmland to rent or buy is often listed as the number one reason why young people do not pursue careers in farming," Ebert said. "We are hopeful that this new tax credit program will create more opportunities for Pennsylvania agriculture and inspire the next generation of farmers in the state."

The new farm bill will also:

➤ ***Develop new resources for agriculture business development and succession planning.***

- Two million dollars will be invested to create the Agriculture Business Development Center, which will provide business planning, marketing, diversification, and transition planning services to farmers.
- Landowners who transfer preserved farmland to a qualified beginning farmer will be exempt from the realty transfer tax.

➤ ***Increase opportunities for Pennsylvania's agricultural workforce.***

- With $500,000 in seed money from the farm bill, the state will create the Pa. Farm-to-School Grant Program, which will increase nutrition and agriculture education for pre-kindergarten through fifth grade students.
- Another $500,000 has been set aside to re-establish the Agriculture and Youth Development Grant Program, which provides workforce initiatives for organizations such as FFA and 4-H.

➤ ***Remove regulatory burdens and strengthen the state's agricultural business climate.***

- The Agriculture Linked Investment Program will receive $500,000 to provide low-interest loans for conservation practices.
- The state has also allocated $2.5 million to the Conservation Excellence Grant Program, which will fund best-management practices in priority areas of the Chesapeake Bay Watershed.

➤ ***Increase market opportunities and expand the organic farming sector.***

- The state is providing $1.6 million to support the Pa. Preferred Program and create the Pa. Preferred Organic Initiative. An additional $1 million will be given to Pa. Preferred to increase enrollment in the Homegrown by Heroes Program, which supports products grown by veterans.
- The new Specialty Crop Block Grant Program will receive $500,000 to invest in hardwoods, hemp, hops, and other priority crops.

➤ ***Protect agriculture infrastructure.***

- Under the farm bill, $4 million has been set aside to create the Pennsylvania Rapid Response Disaster Readiness Account, which will provide a quick response to agricultural disasters. This funding will also help continue the fight against the spotted lanternfly, an invasive insect that poses a significant threat to Pennsylvania agriculture.

State budget sets aside more money for farming

In addition to the farm bill, the recently passed 2019-2020 state budget includes additional funding to support agriculture.

State lawmakers approved at least $7 million for such initiatives as the Agricultural Business and Workforce Investment Program, the Animal Health and Diagnostic Commission, and the Livestock and Consumer Health Protection Program. Research and cooperative extension programs also received funding increases.

"We believe the heavy focus on agriculture this year is a recognition by the General Assembly and the governor that a prosperous farming community is essential to the economic health of rural communities and the state's economy," Ebert said. "The new programs and increased funding for other programs come at a time when many farmers have struggled to stay in business after five consecutive years of depressed prices."

"The lack of affordable farmland to rent or buy is often listed as the number one reason why young people do not pursue careers in farming. We are hopeful that this new tax credit program will create more opportunities... and inspire the next generation of farmers."