

# State Policies to Support Land Access & Transfer

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# 1

## Stage setting

Farm handoffs (access + transfer) = Two sides of a coin



*“Successful farm **entry** and **access** to farms are often one side of a coin whose other side is successful farm **exit** and farm **transfer**.”*

*- (Bob Parsons et al., 2010)*

# 1

## Stage setting

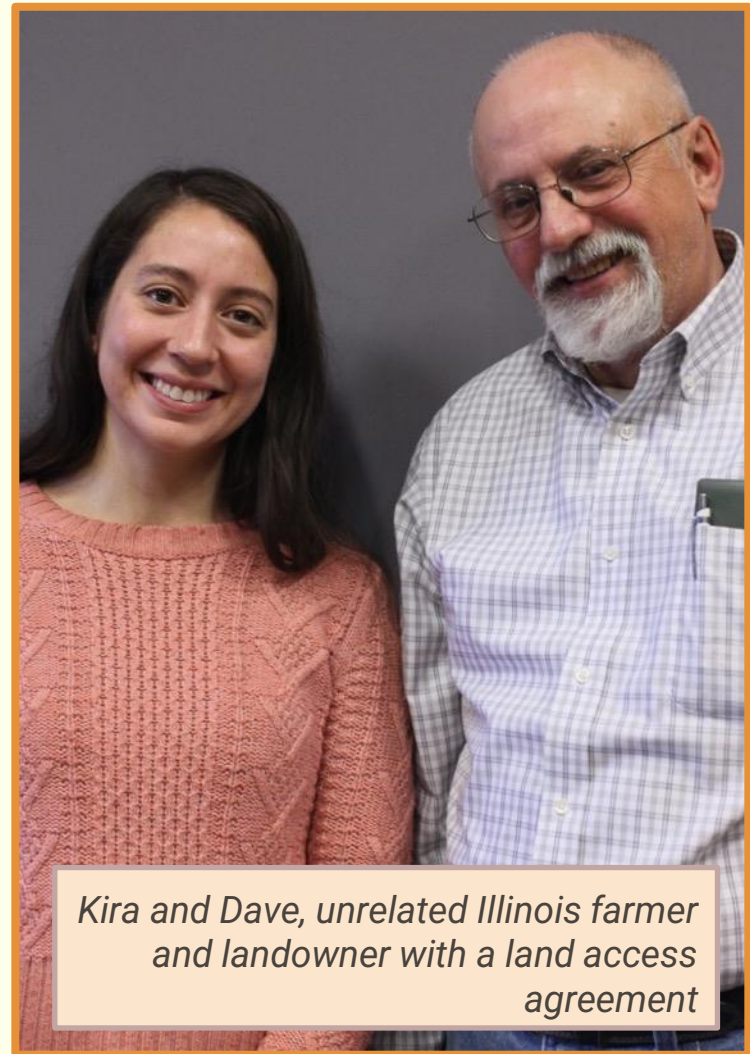
The “*Right & Left Grand*” metaphor – land changes hands as time moves along



# Young farmers:

## Valuable and under-represented in the pipeline

- Farmers' most productive decade begins at age 35 (*Tauer 2019*)
- But, only 10% of farmers are age 35 or younger
  - Outnumbered 4 to 1 by farmers 65+
  - Inverse of other self-employed industries
- Younger farmers make an outsized contribution to food systems and resilience
- Every state's land access policy serves "beginner" farmers



*Kira and Dave, unrelated Illinois farmer and landowner with a land access agreement*



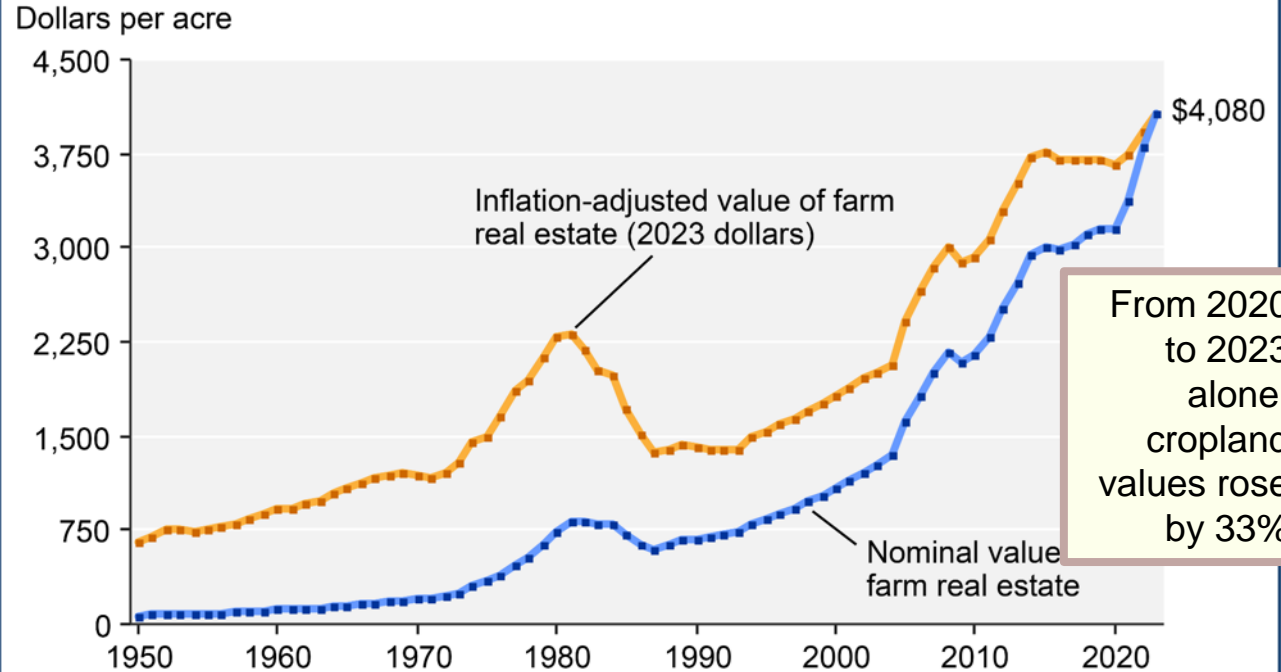
# Some states qualify more farmer groups for land access policy initiatives

- Every land access policy program since 1982 serves “beginning” farmers (state or federal)
- Some states also serve more groups of “historically underserved” farmers



# Challenge: Rising farmland prices

Average U.S. farm real estate value, nominal and real (inflation adjusted), 1950–2023



Note: Farm real estate includes land and buildings. Data reflect values as of June 1 of each year. The annual Gross Domestic Product implicit price deflator is used to convert nominal values to 2023 U.S. dollars (U.S. Department of Commerce, Bureau of Economic Analysis). U.S. estimates exclude Alaska and Hawaii.

Source: USDA, Economic Research Service using annual national agricultural land value estimates from USDA, National Agricultural Statistics Service, *QuickStats*.

# Challenge:

## Land conversion out of agriculture: “Farmland loss”

- About 30,000 ag acres per year (*ISDA 2024*)
- Loss is faster than fastest predicted scenario (*AFT 2024*)
- Oftentimes “prime” farmland (71%, *AFT*)
- Mainly to become low-density neighborhoods

102,400 acres

**39%**

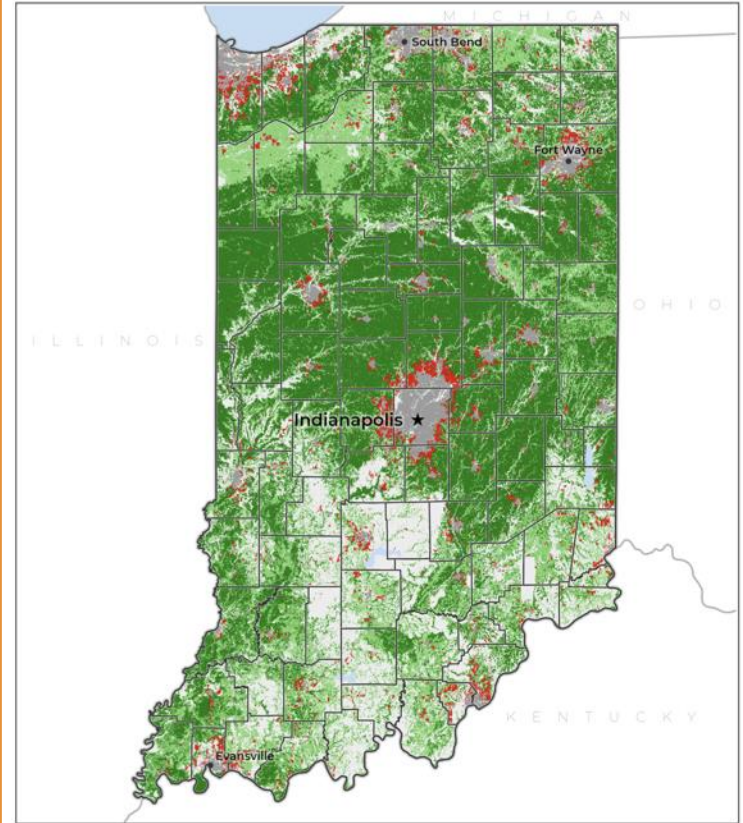
of conversion was to  
UHD

163,100 acres

**61%**

of conversion was to  
LDR

### AGRICULTURAL LAND CONVERSION 2001-2016



Conversion of non-federal farmland to UHD and LDR land uses from 2001-2016. The threat to working farms and ranches is pervasive, often claiming the most productive, versatile, and resilient lands.

Conversion of agricultural land  
to UHD and LDR land uses

Farmland\* that is:  
Above state median PVR\*\*  
Below state median PVR

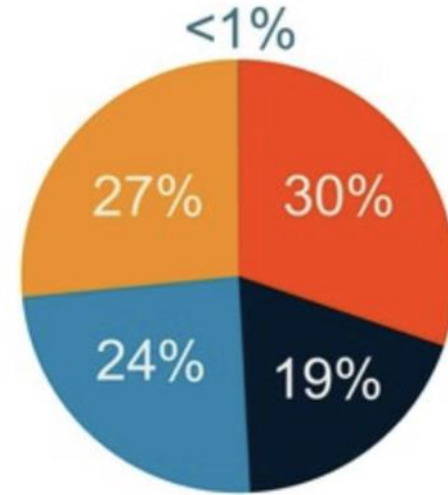
Urban areas  
Federal, forest,  
and other lands

# Challenge:

## Farmland ownership: Non-farmer, non-local

- Agland as an investment asset
- Most cropland is rented out (*Bigelow et al 2016*)
  - Owned by a non-farmer or retired farmer
- *Example:* In 2 major Illinois ag counties, 70% of land had absentee, corporate parentage
- This pattern challenges local economies & next generation farmer entry

Location of Ownership  
by Acreage



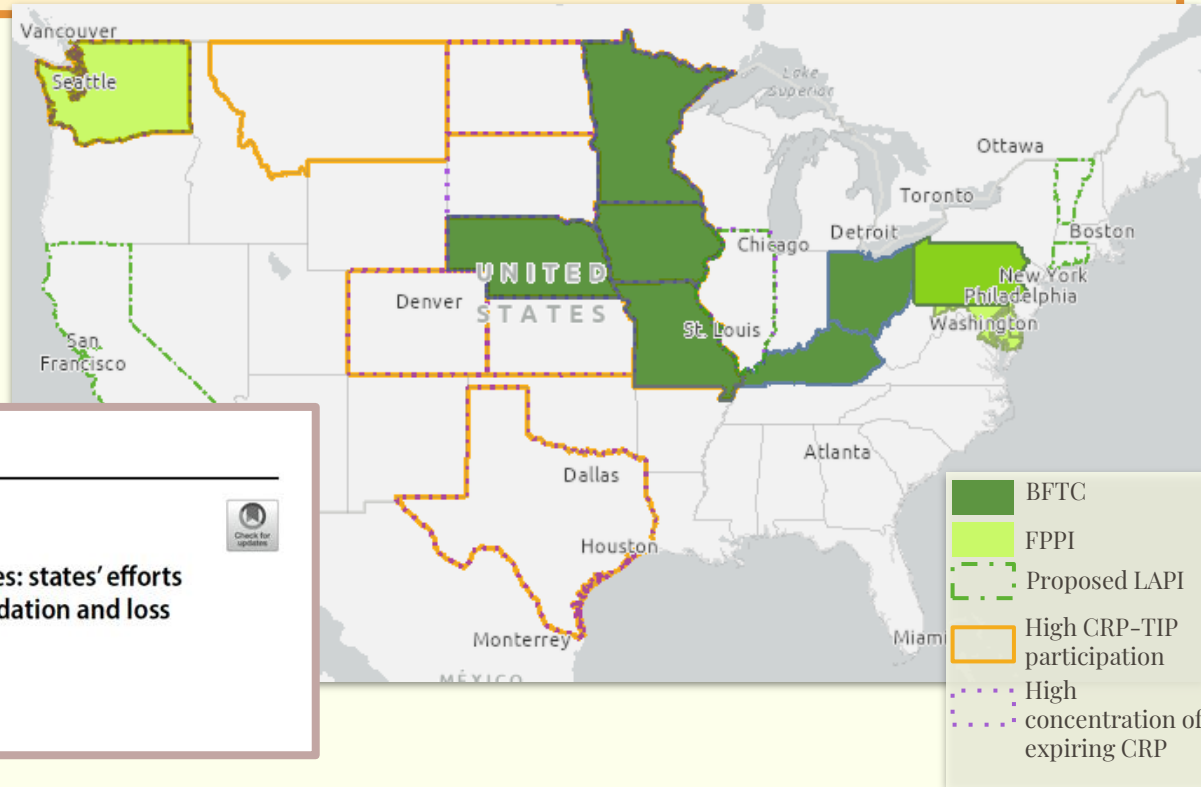
- Local
- Surrounding Counties
- Greater Illinois
- Out of State
- Unknown

In: Loka Ashwood et al., 2020



# Policy intervention by states: To invest in & incentivize farmer entry

- Designed to resist all challenges
- Various approaches
- Modest budgets – \$9m max



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**Bipartisan creation of US Land Access Policy Incentives: states' efforts to support beginning farmers and resist farm consolidation and loss**

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# Ripple effects of states' land access policies

*“One, it’s a great incentive because there’s a big chunk of money involved, depending on the size of the agreement. Two, it really sends a message to landowners that this is something the state encourages. Three, it sends a message to beginners that they are valued by the state and are encouraged to get into farming. **The publicity end of that** is at least as important as the cash that changes hands.”*

- Nebraska service provider



## LAND ACCESS POLICY INCENTIVES



Wyatt and Mary, unrelated Illinois farmer and landowner with a land access agreement