

Release No. 0028.97

USDA Small Farms Accomplishments

During the Clinton Administration, USDA has worked aggressively to help small and socially disadvantaged farmers through a variety of programs and activities.

National Commission on Small Farms: In July, 1997, Secretary Glickman appointed a commission to study ways of assuring the survival of America's small farmers. On January 22, 1998 the Commission presented Sec. Glickman with "A Time to Act," a 120 page report which examines a wide range of programs and issues, including credit, risk management, education and outreach, and recommends improvements to better serve small and beginning farmers.

More loans for minority and women farmers:

- Direct farm ownership loans in FY 1997 to socially disadvantaged applicants represented 18 percent of the total amount loaned.
- Between FY 1993 - FY 1997, USDA increased direct farm ownership and farm operating loans made to minority and women farmers from \$46.5 million to \$81 million (74 percent increase).
- In 1997, USDA made \$15.5 million in direct farm ownership loans to socially disadvantaged farmers, \$10 million more than the \$5.5 million goal set by Congress.
- The Administration's FY 1999 budget proposal will seek full funding of \$85 million for direct farm ownership assisting more than 1,000 beginning and small farm operators. It will also request full funding of \$500 million for direct farm operating loan. This additional funding, if approved, will allow more than 12,000 beginning and small farm operators to receive assistance.

Civil Rights: Secretary Glickman created the Civil Rights Action Team (CRAT), and charged it with the task of developing a comprehensive civil rights program for the Department. CRAT developed 92 recommendations for USDA, of which 62 have already been implemented. Changes include:

- USDA has increased the minority representation on its state committees by 10 percent in 1997. Women and minorities now account for 222 Farm Service Agency state committee positions.

-more-

- USDA has closed 198 program discrimination complaints, including 11 major settlements that total \$3.5 million
- USDA's new foreclosure policy halted 4,449 foreclosure proceedings where discrimination was alleged. Twenty-eight cases are undergoing further investigation to determine whether civil rights violations occurred.

The Marketplace: USDA has been increasing the amount of technical assistance to help farmers find new markets for their products.

- USDA's Wholesale and Alternative Markets Program provides technical assistance to municipalities and community-based organizations interested in developing direct farmer-to-consumer marketing venues and with current staff and funding can initiate 8-10 research or evaluation studies annually to develop marketing opportunities for small farmers in certain localities.
- USDA has proposed regulations that would govern the National Organic Program. These new rules establish a uniform national standard for organic food which greatly aids small farming operations.
- In Fiscal Year 1998, USDA has \$1.7 million available for cooperative development grants and will reserve \$200 million in business and industry guaranteed loans for cooperative development. In Fiscal Year 1997, USDA funded 18 projects with \$1.7 million to promote cooperatives and also funded 17 project targeted at value-added cooperative development. The Commission recommends increased funding and assistance for cooperative development.

Other USDA programs:

- **Office of Outreach:** The newly formed office provides coordination and leadership in delivering programs and services to USDA customers. The Administration's Fiscal Year 1999 budget request will included full funding of \$10 million for the Outreach and Technical Assistance Program for Socially Disadvantaged/Minority Farmers (Section 2501 program).
- **Small Farm Program (CSREES):** This program is designed to improve income levels and economic viability of small farms through public/private partnerships with universities and community organizations encouraging research and education programs that meet these farmers' specific needs.
- **WIC/Farmers Market Nutrition Program:** Provided \$9 million in revenue to 8,250 farmers in 1996. Additional funding will expand the program to other States and gain more WIC customers at farmers markets.