

Beginning Farmer and Rancher Advisory Committee to the Secretary of Agriculture

- Over 100 Recommendations
- 50% have been fully or partially implemented, including:
 - USDA Mission Focus on BFR issues
 - Increased FSA Loan Limits to BFR
 - National conference on risk management strategies for BFR
 - Commodity, Conservation, Credit assistance to BFR

Beginning Farmer and Rancher Development Program (BFRDP)


- 2008 Farm Bill Initiative
- Mandatory \$75 Million Funding over four years
- Grants for Community/Network-based organizations that help BFR
- Project areas include:
 - mentorships, internships and apprenticeships;
 - helping beginning farmers and ranchers acquire land;
 - developing farm/ranch transition plans;
 - financial management training;
 - conservation management

Three Categories of Challenges

- Ranch Transition
- Capital Requirements
- Quality of Life/Rural Development

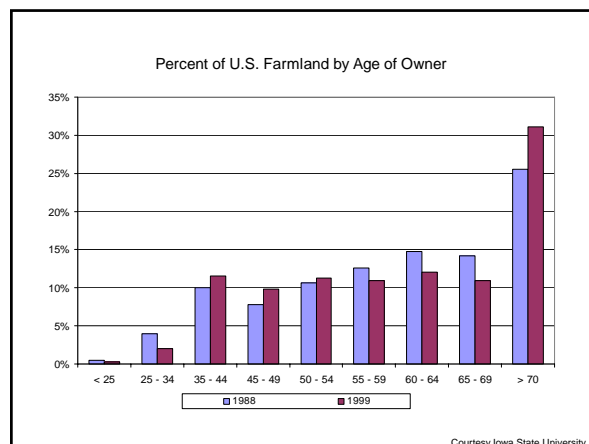
Two Types of Transition

- Asset
- Management



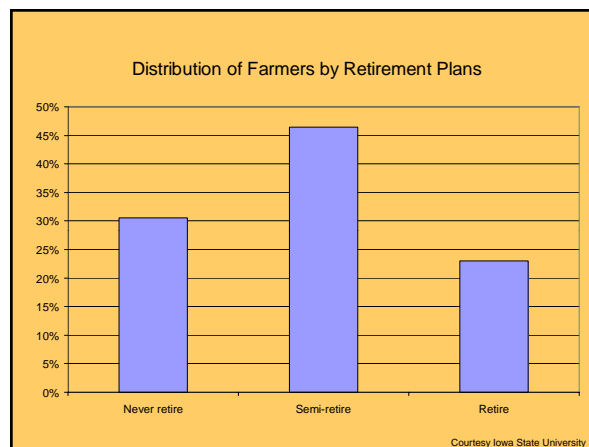
Asset Transition

- Estate Planning
 - Organizes the transfer of assets upon rancher's death
 - Prepares to pay estate taxes
 - Can be expensive (depending on assets)
 - Can be time consuming
 - Thousands of lawyers specialize in estate planning



Management Transition

- Personal
- Involves personalities
- Requires one to give up responsibility he has owned for decades
- Ranch/Farm Diversification
- Multi-generational partnerships
- Necessary for future ranch success



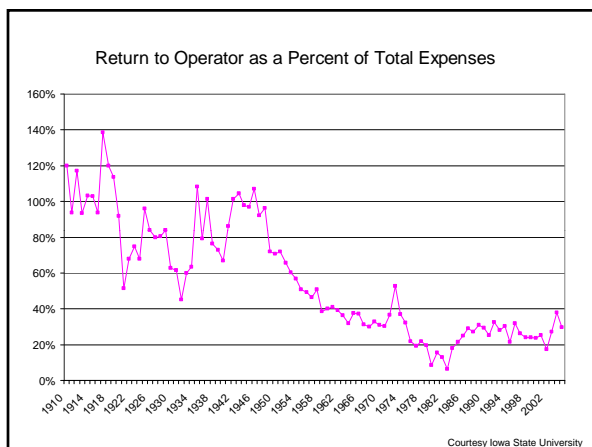
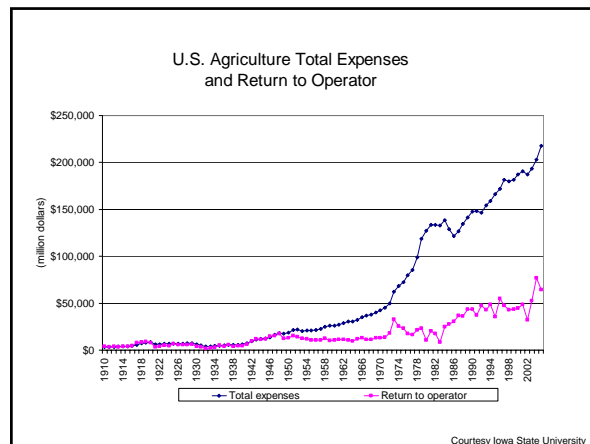
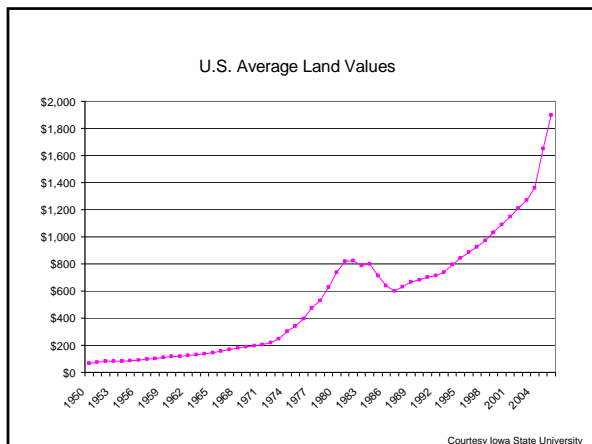
Only 27% of farmers have identified a successor

Means one of three things:

- There are no family members and the farmer has not sought other alternatives
- There are no family members interested
- There has been no discussion amongst family members about the next generation

Capital Requirements

- Land prices continue to rise
- Equipment costs continue to rise
- Operational expenses continue to rise
- Agriculture is capital intensive and restrictive



Farm Service Agency (FSA)

- Direct Loans
 - Up to \$300,000
- Guaranteed Loans
 - Up to \$1,000,000
- Downpayment Program
 - Helps BFR purchase land

Texas Agriculture Finance Authority (TAFA)

- Young Farmer Loan Guarantee Program
 - Up to \$250,000
- Interest Rate Reduction Program
 - Up to \$500,000
 - “Below Market Rates” i.e. Under Prime

Quality of Life/ Rural Development

- Texas Agriculture and Rural Texas go hand-in-hand. You cannot have one without the other.
- Quality of Life in agriculture is unsurpassed
- The *Solution* is the same as the *Challenge*

Throckmorton Beautification Committee

The mission of TBC is to *build pride in Throckmorton through the elimination of blight, the enhancement of existing infrastructure and the addition of practical and aesthetic improvements.*

TBC Grants

- TBC won \$317,500 in grants in 2007
 - Keep Texas Beautiful Governor’s Award
 - TxDOT Landscape Grant
 - TDA Downtown Revitalization Grant
 - TDA Hardworking Rural Community Award
 - Workforce Commission Community Development Grant



