

Friends of Family Farmers

June 2010



The Agricultural Reclamation Act

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Preamble

The family farms and ranches of Oregon represent a diversity and strength as varied as the landscape they inhabit. It is this diversity that drives our rural economies and offers our citizens real food security. As Oregonians, we are profoundly connected to the land we work and the products that spring from that union.

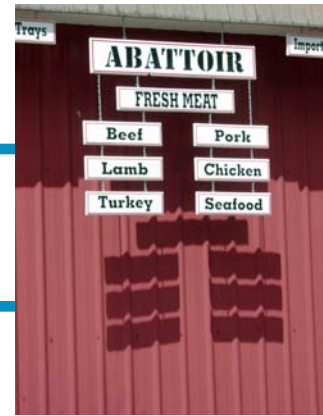
We believe that good, healthful food should be equally accessible to all people. Furthermore, we deserve the right to produce and provide the type of goods that benefit our farms and ranches, as well as our individual and shared communities. It is time that the policies and regulations coming from our public officials and state agencies reflect these principles.

The current emphasis on supporting the industrial food production model threatens agricultural continuity and undermines our regional economic security. Consolidation of our food sources will lead to the further degradation of our state's economy and social structure if left unchecked. We ask for strong, coordinated representation at the state level, access to policy-makers, and honest accountability for those actions that powerfully affect our day-to-day lives.

As the future of agriculture in Oregon, we recognize that the responsibility lies on our shoulders to ensure our collective voice is heard and that our wisdom is honored. We owe it to the future generations to be vigilant, so that they may advance the values and ethics vital to a lifetime of working the land.



Meat & Poultry



In Oregon, where there were once many slaughter and processing facilities, processors are now larger and fewer in number. This has consolidated market power and impedes farmers' and ranchers' ability to get their products to retail markets. As such, marketplace demands for responsibly raised meats and poultry cannot be met. In addition, food safety regulations for meat and poultry are based on an industrial model that fails to address the needs of family-scale farms and ranches.

Current Situation

- A profound lack of USDA-certified slaughter and processing facilities in several parts of Oregon results in:
 - Limited facility access, especially at busy times of the year
 - Prohibitive costs when necessary to travel great distance to access facilities
 - Increased animal stress involved with long-distance travel, decreasing the quality of the product and quality of life for the animals
 - Increased risk to producer when basing business on access to only one custom shop that is at capacity
 - Decreased ability to expand business when it is not possible to increase quantity and diversity of animals to market without processing capabilities
 - A lack of retail possibilities for producers and consumers
- Other states (including Washington) are working with producers to open up new processing and marketing possibilities, potentially threatening Oregon's agricultural businesses
- There are no rendering facilities in Oregon, limiting carcass and offal disposal options

- The needs of family-scale meat/poultry slaughter and processing differ from the industrial model and are not being met by the current system:
 - Current meat and poultry infrastructure is set up for commodity production, limiting direct to consumer and local retail marketing potential
 - Infrastructure development for certified on-farm slaughter/processing facilities is cost prohibitive, and will only serve one farm instead of an agricultural community
 - Food safety rules and regulations around slaughter and processing are in place to manage industrial food production and are not relevant or effective for smaller or diverse producers

Priority Action Items

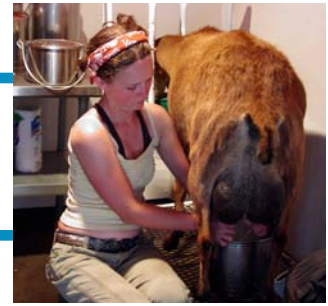
For State Attention:

1. Assist with the expansion of appropriate infrastructure and the ability for Oregon producers to capitalize on local opportunities:
 - Recognize federal 1000-bird exemption for on-farm poultry slaughter, processing and sales
 - Help fund and assist Custom-exempt shops to convert to USDA standards
 - Provide matching funds for USDA mobile-meat and poultry processing units
2. Advance educational and employment opportunities:
 - Re-open OSU's USDA facility for butcher training and processing
3. Re-establish or facilitate the development of rendering facilities and/or other offal disposal possibilities

For Federal Attention:

1. Amend processing regulatory system to be results based and scale-appropriate for local communities:
 - Use animals per acre nutrient load to determine appropriate numbers for on-farm production, processing, disposal and food safety measures
 - Allow certified third-party inspection for on-farm slaughter and fixed processing facilities that results in the ability to sell retail for large animals

Milk & Dairy



Unfettered access to a wide spectrum of local dairy products in Oregon is severely limited despite the recent groundswell in demand. Current regulations inhibit the face to face relationships consumers are asking for while limiting producers' abilities to meet the dairy needs of their communities. Milk, because it is undervalued on the commodity market, creates economic instability for farmers and limits the potential for new producers to recoup the high costs of entrance into dairy production.

Current Situation

- The cost of entry to licensed dairy production severely limits the ability of new farmers to become a legal entity, discouraging many from taking the risk and threatening the continuity of family dairies in Oregon
- Industrial dairies flood market with milk, adversely influencing prices received by all farmers, undervaluing milk and other dairy products
- The recent trend toward small-scale, community dairies requires new regulations and technical assistance services that are applicable to these enterprises and the non-conventional dairy products they produce:
 - Blanket regulations hinder the face-to-face relationships between customer and producer that are based on respect, honesty and trust
 - Without any food safety infrastructure inclusive to the small producer, farmers will continue to operate outside of regulations, creating a myriad of problems for the industry and the consumer

- Demand for raw milk cannot be met under the three cow/nine goat exemption currently in place in the state of Oregon:
 - Specific education and training for raw milk safety inspections and the continuing education of inspectors is needed to ensure both consumer food safety and viable markets for these alternative products

Priority Action Items

1. Legalize access to raw milk with a testing and inspection program
 - Get rid of the current three cow/ nine goat exemption for raw milk
 - During transition period, enact a volunteer pilot testing program for interested farmers
2. Help create cooperative community dairy possibilities, including:
 - Farmer mentors
 - Organic and/or pasture transition assistance
 - Ways to assist new/young dairy farmers
3. Provide state incentives, that are geared to federal grant programs, to provide matching funds and technical assistance for diverse dairies producing a variety of products

Rules, Regulations, & Food Safety



In an effort to meet the safe food needs of the public, rules and regulations have been created based on a food system dominated by large-scale growers and processors. This one-size-fits-all system of rules and regulations dictates food safety policy and threatens the viability of family-scale farms and ranches. Oregon agriculture needs a regulatory system that encourages entrepreneurial ingenuity and does not limit business start-up and expansion opportunities. Removing these roadblocks that hinder direct farmer/rancher to consumer relationships will lead to economic prosperity for producers who are creating healthful and clean products.

Current Situation

- Rules and regulations are reactive and crippling instead of proactive and supportive:
 - Food safety mentality appears to be moving in a direction where products are seen as unsafe until proven otherwise, instead of safe until reason for concern
 - Restrictive and ineffective regulations have driven many producers underground or out of business
 - Consumers are not able purchase enough meat, poultry, dairy, and other value-added products, raised by farmers they know and trust, which sends money and agricultural growth potential out of their local economies
 - Smaller producers have to spread the costs of regulatory compliance over a large amount of product, leaving a thin margin for survivability
- Family-scale farms and ranches are subject to the exact same regulations that are required of industrial style farms, despite a unique set of needs and circumstances:
 - The difference in scale between operations results in different production, distribution and marketing methods creating the need for different rules, regulations and food safety measures

- The current, standardized regulatory system:
 - Restricts local markets
 - Skews playing field toward industrial model
 - Hinders diverse, integrated systems
 - Interferes with the relationships between producers and consumers
 - Makes it difficult to get locally-produced food from our farms and ranches to the people who want it

- Thus far, market damaging food-borne illness outbreaks, with few exceptions, have consistently come from industrial food production, and not family-scale farms and ranches:
 - Farmers, ranchers and processors are willing to be tested for food safety, in a way that is effective, reasonable and appropriate for their operation
 - There is a qualitative difference between those products being sold in local markets and those being sold in the commodity market
 - Transparency and accountability are part of doing business locally
 - Individual consumers and communities have a role to play in discerning what is safe and good for them

Priority Action Items

1. Enact a scale-appropriate regulatory system that is functional for diverse, integrated systems and direct marketing:
 - Work with local producers and farmers' market managers to create sensible, functional, and effective food safety policies
 - Create exemptions for low-hazard foods and small batch production

2. Give individuals and communities the right to choose where and how their food is produced, what food they consume, and what they are willing to pay for:
 - Create a legal framework for personal or family exemption from the industrial food system that allows consumers to enter into a relationship with a producer of their choice to get the products that they want
 - Enact simple and clear product labeling guidelines for informed decision-making

3. Require and fund statewide reporting on pesticide and GMO-use while establishing a system of accountability for infractions

Regional Food System Infrastructure & Markets



Growing public interest in, and demand for, locally and responsibly produced food has encouraged many family farms to diversify and gear their businesses to serve local markets. However, regional food systems look and function differently than the industrial model that is now in place. The consolidation of processing and distribution has decimated the infrastructure and markets that were once in place to serve independent farmers, ranchers and their communities. Support is needed to regenerate these vital pieces of our regional food system.

Current Situation

- Our current food production and distribution system is concentrated in the hands of a few, large operations which are inflexible and unable to meet the needs of all consumers:
 - Local, diverse systems are more flexible and have greater resilience to outside forces, leading to increased stability and security
- Need to build and expand local/ regional processing, value-added, and distribution infrastructure to service independent farmers, ranchers, food buyers, and their communities:
 - Nominal access to regional processing facilities across all agricultural sectors
 - Cost of developing processing infrastructure is a barrier
- More support for local and regional market development is needed:
 - Producers are finding challenging and unclear pathways to institutional purchasing
 - It is not easy or straightforward for Oregon producers to access large, corporate retailers
 - Current record keeping requirements makes it difficult for independent retailers to source from local producers
 - Many niches go unfilled

- Developing regional food systems can strengthen multifunctional agriculture and contribute to food safety, food security and reaching common goals:
 - If food safety problems arise, it is easier to identify the source of the problem, address and then correct the issue
 - Improvements to our regional food system can make nutritious food more accessible, can help prevent hunger and obesity, and can increase our capacity to feed ourselves
 - A regional system of production, transportation and distribution could lower agriculture’s carbon footprint, as food travel miles are exponentially increased by industrial production and distribution systems

- Regions are getting more and more dependent on the image or picture that they portray. The cultural characteristic of a region becomes a framework for economic integration and consumers are showing more and more interest in regional identity:
 - Regional production of agricultural goods and services can add to rural economic development and local food security

Priority Action Items

1. Public investment, grants or incentives for community projects such as:
 - Certified commercial community kitchens
 - Grain processing & storage facilities
 - Meat slaughter & processing facilities
 - Transportation & distribution centers
 - Farmers’ Markets
 - Micro-processing facilities
 - Other business expansion opportunities within food and agriculture sector

2. Establish ways for local farms to sell to local retailers and institutions such as grocery stores, hospitals, schools and restaurants:
 - Create State-supported incentives for local purchasing
 - State mandate for local food into government agencies and public schools
 - Support the Farm to School program, assist growers in accessing these opportunities
 - Assist in the establishment of cooperatives and networks for local purchasing

3. Create tax incentives (instead of subsidies) to increase private investment in regional food systems:
 - Promote Oregon food grown by family farms via a “Keep Oregon Viable” Campaign
 - Incentivize the use of empty warehouses for processing facilities and indoor markets

Farm & Land Viability



With the consolidation and industrialization of agriculture, workforce availability compromised, high prices for land and ever increasing operating costs, the future of family-scale agriculture in Oregon is jeopardized. Unrestricted growth and development continues to eliminate valuable land resources devoted to cultivation. These dangerous components threaten to monopolize and outsource our food supply while crippling rural economies.

Current Situation

- Vertical integration and thin profit margins have forced farmers to get big or get out:
 - Smaller producers cannot compete in the consolidated marketplace
 - Family farms and ranches have been forced to incorporate into larger, consolidated enterprises
 - The high cost of entry, plus markets diminished by regulations and absence of financial services, have made entry into family- scale agriculture very difficult
- Farms need a larger workforce:
 - Lack of farm education programs leads to an absence of interested young workers
 - Difficult to move from internship to employer-employee relationship
- Farmers suffer from low economic self-esteem:
 - Cost of day to day operations exceeds price received for product
 - Federal subsidies and factory food production have manipulated the true cost of food, minimizing the farm/ ranch take of the food dollar
 - Farmers continue to earn a wage that is not representative of the role they play in food security and public health
 - Land prices make it difficult to carry a mortgage and run a farm business
 - Traditional lending institutions no longer service non-commodity growers and operators
 - Affordable health insurance is not accessible for many farm/ ranch families
 - Growing to the next level is challenging for producers with licensing fees, employment laws, food safety rules and regulations, and a lack of infrastructure to support them

- Farmers and Ranchers desire to keep land in agricultural production, out of corporate control and free from development pressures that drive up the cost of farmland
- Farms trying to serve their local and organic customers have limited or no access to local or organic grains:
 - Quality grains often must come from another region or country, circumventing local agricultural economies and de-stabilizing supply, despite products being demanded at an ever increasing rate
- Need for oversight on genetically modified organisms:
 - Cross-pollination creates potential for non-modified seed contamination, threatening producers with litigation based on proprietary genetics
 - Monopolized seed sources threaten food security through consolidation of genetics and manipulation of seed viability
 - GMO crops threaten diversity in agriculture, leaving industry open to potentially large scale damage from pests, diseases, and drought
 - Transparency in labeling and use of GMO technology is not required

Priority Action Items

1. Increased access to credit and funding:
 - Make it easier for under-served farming populations to get state grants/loans for agricultural business start-up, expansion, and improvements
 - Increase access to credit while transitioning farm business from commodity production to food production and/or direct marketing or alternative production method
 - Establish a state-supported revolving loan fund for land purchase, farm/ranch infrastructure development and marketing needs
2. Protect the continuity of viable and existing farmland:
 - Push practical conservation easements that are designed to protect farmland
 - Expand legal residence options for farmers and farm-workers on existing farmland
 - Examine the functionality of the 80/80 rule for perpetuating farmland
 - Expand the ability to create Rural Reserves to the rest of Oregon
3. Protect land and crops:
 - GMO-isolation or restriction that ensures the viability of seed and organic crops
 - Enact incentives to grow non-GMO crops
 - Labeling for informed decision-making, including true origin of product
 - Fund and support the Pesticide Use Reporting System (PURS)

New & Young Farmers



As the average age of farmers rapidly approaches 60, 25-50% of Oregon's farmland is set to change hands in the next decade. Without appropriate steps taken, land currently in the hands of family farmers and ranchers could transfer to industrial agriculture or non-agricultural interests. This will severely effect how our food is produced, as well as the make-up of our rural communities and local economies. Immediate action is needed to ensure successful land transition and to assist new farmers and ranchers as they enter into agriculture.

Current Situation

- Despite the resurgence of interest in agriculture, the availability of land, resources and educational opportunities for new and young farmers/ranchers are severely limited:
 - Few practical farm education programs exist
 - The legality of farm internships is unclear, giving many seasoned farmers pause before taking on the training of inexperienced individuals
 - Workers safety regulations are prohibitive for employing teenagers, limiting on-the-job training and intergenerational knowledge transfer
 - Financial assistance and available capital through traditional lending sources is not readily available as farming is no longer considered a viable profession
 - There are nominal state grants for new and young farmers/ranchers
- Initial investment for land, infrastructure and equipment is very difficult to achieve:
 - This used to be made possible by generational transfer or inheritance, but that is no longer always the case
 - As a first generation farmer/rancher in Oregon, one could face hundreds of thousands of dollars in land and start-up costs
- Farmers and ranchers need more assistance to adequately pass their land and business onto the next generation:
 - Inheritance tax challenges agricultural continuity
 - Thorough financial and succession planning is necessary to transfer agricultural land and businesses when all assets and security are tied to land

- To the dismay of agrarians, there seems to be a cultural stigmatism associated with making a living off the land as farmers and ranchers face hard work, long hours, and bad pay, however:
 - Direct marketing allows farmers and ranchers to receive a fair price for their product and the demand for food from local farmers is accelerating
 - More farmers are needed to satisfy demand
 - There are countless young people lining up to learn how to farm

Priority Action Items

1. Establish state grants, low-interest loans and financial assistance for new and young farmers/ranchers:
 - Establish a state-supported revolving loan fund for land purchase, farm/ranch infrastructure development, or marketing needs
 - Make State grants readily available to new and young farmers/ranchers, specifically for under-served populations and those practicing socially responsible agriculture

2. Assist in and increase the access to agricultural land for beginning farmers:
 - Allow for the amortization of the cost of land
 - Create tax incentives for land-holders to lease to new and young farmers
 - Allow new farmers to change land-use designation in one instead of three years, if the land is being used for agricultural purposes
 - Assist in partnership and transition options

3. Support farm-based education:
 - Create a legal framework for farm internships
 - Reintroduce agriculture/land stewardship in all educational arenas, K-12+
 - Establish farm schools and sustainable agriculture vocational programs
 - Develop an agricultural curriculum that is hands-on and supports sustainable, socially responsible agriculture
 - Continued State support for Farm to School/School Garden Program
 - State support for farm business incubator projects, in rural and urban areas
 - Offer the farm worker safety certification course for minors in all counties

ODA Support, Clarity & Cooperation



Historically, the Oregon Department of Agriculture has focused the majority of their resources on commodity production and export markets. Until recently, farmers and ranchers have seen few resources put towards the development of regional food systems, even though agency officials acknowledge the value of small to mid-size, diversified family farms/ranches and their contribution to the state's economy, environment and social structure. Many farmers and ranchers are asking for increased attention to their issues, and that the ODA shift more resources to match the unique needs of these farmers and ranchers that are an integral part of Oregon's agricultural community.

Current Situation

- There is a need for infrastructure that supports diversified family farmers/ranchers by state agencies in general, and specifically the Oregon Department of Agriculture:
 - All family farmers and ranchers want to be treated as equals by the State and are interested in collaborative problem solving to have their needs met
 - ODA could increase its interest in supporting local agriculture by contributing resources to regional food systems and the family farmers and ranchers who operate in these sectors
 - Current policies and programs of the ODA do not match the needs of small to mid-size, diverse family farms and ranches who operate differently than single crop, commodity producers
 - The ODA prioritizes “food safety” and does not put enough energy and resources into encouraging direct sales and agricultural enterprises that serve local markets
 - Nationally, agriculture has been subject to a “get big or get out” mentality. This mindset has created a glut of services and attention to large, conventional operations, leaving other farms and ranches without equal service
 - Many small farms are often referred to as “Hobby or Lifestyle” enterprises, which are disregarded by agency officials

- Current information and understanding of how rules and regulations affect all agricultural operations needs improvement:
 - Agency representatives and inspectors do not consistently demonstrate adequate knowledge on rules and regulations
 - Unclear information and subjective interpretation of laws, rules and regulations confuses and frustrates producers, while discouraging entrepreneurialism and agricultural business establishment and expansion
 - Farmers / ranchers are not getting the answers they seek from the ODA
 - Confusion over County, State, or Federal jurisdiction leads to uncertainty and lost time, energy and resources

- Our public officials, the Department of Agriculture, and other state agencies must recognize that:
 - The image of Oregon agriculture that is often put forward is based on family-scale operations that have been the back bone of this state for generations, and will continue to be with acknowledgement and support
 - Farming, ranching and related enterprises, including farmers' markets, are public resources and beneficial to Oregon in myriad ways
 - The small to mid-size, diversified family farm and ranch is crucial to Oregon agriculture and positively impacts local economies, communities and the environment
 - Urban agriculture has tremendous potential and great value to our cities and agricultural economy

Priority Action Items

1. Give the ODA a directive to work with small to mid-size farms / ranches that are serving local and direct markets:
 - Establish a Small Farms and Ranches Division of the ODA that is guided by a Farmer / Rancher Advisory Committee to set up clear, clean and consistent guidelines, rules and regulations for family-scale operations
 - Balanced representation from small to mid-size farms / ranches who are involved with local markets on Board of Agriculture
 - Provide more technical and staff support for direct marketers, regional food system establishment and other under-served farming populations

2. Have ODA Marketing Division develop local and regional market opportunities in addition to national and international markets:
 - Establish a regional marketing plan for food that is grown and sold in Oregon
 - Expand marketing opportunities such as year-round farmers' markets
 - Define local and develop strong policies and programs that support local agriculture
 - Aid in establishing cooperatives for increased marketing opportunities
3. Train and educate agency officials and staff people to provide:
 - Consistent, reliable responses and interpretation of rules and regulations
 - Understanding of federal, state, county jurisdiction
 - Working knowledge of rules/regulations and how they affect all operations
 - Cooperative, supportive, and helpful service
 - A hotline for information
 - Good models and legal examples of successful farming operations
 - Access for minorities and under-served populations

The Act of Reclaiming Agriculture

The Agricultural Reclamation Act has been a two year process of talking to the farmers and ranchers of Oregon, bringing communities together, and encouraging democratic participation. By traveling around the State to hear directly from producers and rural residents, Friends of Family Farmers has been able to develop this platform. Our goal is to help establish a future for food and agriculture that is based on family-scale farms and ranches, food security, rural economic viability and cultural connectivity.

Over the past months, hundreds of family farmers and ranchers have participated in community meetings throughout the state. During these meetings, many common challenges and obstacles that make it difficult to raise and produce food for were identified. Additionally, representatives were elected to attend the first Farmer and Rancher Delegation where a draft of this document, based on the data collected from the community meetings, was discussed, vetted, and ratified.

This process demonstrates the collective strength of Oregon’s independent family farmers and ranchers. It has connected communities across our vast and diverse state and motivated citizens to begin to make change in their places. With all of these constructive citizen efforts, and strong collaboration between state agencies, decision-makers and the family farmers and ranchers of Oregon, together we can shape a strong future for agriculture in this state.

Socially Responsible Family Farmers & Ranchers

For the purposes of this document, the family farmers and ranchers represented here identify with and are defined by many, or all, of the following attributes:

- They are actively farming or ranching at a scale that is appropriate to their land and family unit
- The primary producer is, or working towards, obtaining the majority of their livelihood from the land, while taking on the majority of the financial risk
- The family unit is making all of the management and operational decisions and the primary farmer is involved in the daily running of the business
- The family unit is providing the majority of the labor; if outside labor is needed, the farm provides fair wages and good working conditions
- The farm, ranch, and related business, is embedded in their community
- The farm/ranch is substantially contributing to their local and regional economies
- The agricultural practices performed on their land are humane and ecologically sound, providing animals with a high quality of life while enhancing the soil, air, water and wildlife

- A family farming operation evolves to accommodate each new generation of farmers
- Diversity and resilience are represented through a variety of plant/ animal genetics, farm products and the agricultural ecosystem
- The farm and ranch products are qualitatively differentiated based on flavor, nutrition, production methods and geographic location
- The status quo is not working in their interest and they do not feel that they have representation within the current agri-political system

Food Systems

Local and Regional Food Systems: Denotes a food system where food is produced, processed, distributed and sold within a certain geographical area. These systems are based on deep relationships between farmers and consumers, and aim to circulate money and create jobs within the region as well.

Industrial Agriculture: A system in the farming sector where the goal is to increase yield (such as bushels per acre) and decrease costs of production, usually by exploiting economies of scale. This has resulted in decreasing farm numbers and has forced the remaining farms to become appreciably larger, more mechanized, chemical-intensive and dependent. They now specialize in a few commodities and may have to enter into contractual relationships with processors because of vertical integration.

*These two definitions were provided by Farm Aid's report "Rebuilding America's Economy with Family Farm-Centered Food Systems" (June, 2010) and the Union of Concerned Scientists website, www.ucsusa.org (June, 2010).

Acknowledgements

The Agricultural Reclamation Act Tour and the Farmer & Rancher Delegation were made possible through generous support from the McKenzie River Gathering Foundation and Willie Nelson's Farm Aid.

This document was written by Megan Fehrman, Michael Moss and all of the Farmer and Rancher Delegates, from across Oregon, who gathered together to represent their communities and lend their voices to this process. For that, we are extremely grateful.



Along the way, many other organizations, businesses and individuals contributed to this process. Without the help of Thrive, Oregon Rural Action, Willamette Farm and Food Coalition, Ten Rivers Food Web, Gorge Grown Food Network, The Small Farms Conservancy, OSU Small Farms Program, The Oregon Food Bank, The Black Market Gourmet, New Seasons Market, Wild Vines, plus many of the local granges, food cooperatives, SWCDs, and NRCS offices all this would not have been possible. Thank you everyone for your assistance and support.

Finally, the Friends of Family Farmers Staff, Board, and Volunteer crew contributed greatly to the Agricultural Reclamation Act. Their energy and dedication to this work is endless and an inspiration to all.