

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 645 Young Farmers and Ranchers
SPONSOR(S): Agriculture & Natural Resources Appropriations Subcommittee; Raburn
TIED BILLS: IDEN./SIM. **BILLS:** SB 872

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Agriculture & Property Rights Subcommittee	13 Y, 0 N	Thompson	Smith
2) Agriculture & Natural Resources Appropriations Subcommittee	13 Y, 0 N, As CS	White	Pigott
3) Commerce Committee	21 Y, 0 N	Thompson	Hamon

SUMMARY ANALYSIS

Florida is one of the nation's top ten most productive agricultural states. However, according to research, the overall number of farms is declining.

The bill creates within the Department of Agriculture and Consumer Services (DACS) the Florida Young Farmer and Rancher Advisory Council. The council is to consist of 12 members appointed by the Commissioner of Agriculture. The bill authorizes the council to submit annually to the commissioner findings and recommendations for mitigating challenges facing aspiring farmers and ranchers in the early stages of their careers, and to examine issues that include, but are not limited to, access to land, availability of credit and capital, and access to business skills training.

The bill requires DACS to establish on its website a clearinghouse for resources available to young and beginning farmers and ranchers, including, but not limited to, local, state, federal, and private sources of grants, loans, and scholarships, as well as general resources on finance and business planning. The bill requires the clearinghouse to include resources available to beginning agricultural producers who are defined as veterans under s. 1.01, F.S.

The bill will have an insignificant negative fiscal impact on state government that can be absorbed within existing resources. See *Fiscal Analysis and Economic Impact Statement*.

The bill provides an effective date of July 1, 2018.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Florida Agriculture

Florida had 47,100 commercial farms in 2016, using approximately 9.41 million acres of farmland. There were 5,600 farms with sales exceeding \$100,000, and the average farm size was 200 acres. Florida ranks 18th among all states in number of farms and 30th in land in farms.¹

Florida is one of the nation's top ten most productive agricultural states.² However, the number of farms is declining throughout the state.³ In the 1990s, the agricultural economy increased only five percent compared to 25 percent and 50 percent in previous decades.⁴

There are no grant programs or councils administered by the Department of Agriculture and Consumer Services (DACS) to assist young farmers and ranchers. DACS does provide resources through its Agricultural Industry,⁵ Grant Opportunity,⁶ and Business Development⁷ webpages. At this time, financial resource content is limited to assisting growers with export operations.

Effect of Proposed Changes

The bill creates within DACS the Florida Young Farmer and Rancher Advisory Council, and requires DACS to establish on its website the Florida Young Farmer and Rancher Resource Clearinghouse.

Florida Young Farmer and Rancher Advisory Council

The bill creates within DACS the Florida Young Farmer and Rancher Advisory Council. The council is to consist of 12 members appointed by the Commissioner of Agriculture. The commissioner is required to initially appoint six members for a one-year term, and six members for a two-year term. Thereafter, members must be appointed for two-year terms.

The bill provides that the meetings, powers, duties, procedures, and recordkeeping of the council shall be pursuant to s. 570.232, F.S.

The bill specifically authorizes the council to do the following:

- Submit annually to the commissioner findings and recommendations for mitigating challenges facing aspiring farmers and ranchers in the early stages of their careers; and

¹ United States Department of Agriculture National Agricultural Statistics Service, Statistical Bulletin 2017, at A-6, https://www.nass.usda.gov/Statistics_by_State/Florida/Publications/Annual_Statistical_Bulletin/2017/ASB-2017.pdf (last visited January 24, 2018).

² University of Florida IFAS Extension, *Expanding Florida's Farming Business to Incorporate Tourism*, <http://edis.ifas.ufl.edu/fr242> (last visited January 24, 2018).

³ *Id.*

⁴ *Id.*

⁵ Information pertaining to the agricultural industry may be retrieved from <http://www.freshfromflorida.com/Agriculture-Industry/Search-by-Industry>.

⁶ Information pertaining to grant opportunities can be retrieved from <http://www.freshfromflorida.com/Business-Services/Grant-Opportunities>.

⁷ Information pertaining to business development can be retrieved from <http://www.freshfromflorida.com/Divisions-Offices/Marketing-and-Development/Agriculture-Industry/Business-Development-Resources/Exporting-Florida-Agricultural-Products>.

- Examine issues that include, but are not limited to, access to land, availability of credit and capital, and access to business skills training.

Florida Young Farmer and Rancher Resource Clearinghouse

The bill requires DACS to establish on its website a clearinghouse for resources available to young and beginning farmers and ranchers, including, but not limited to, local, state, federal, and private sources of grants, loans, and scholarships, as well as general resources on finance and business planning. The bill requires the clearinghouse to include resources available to beginning agricultural producers who are defined as veterans under s. 1.01, F.S.

B. SECTION DIRECTORY:

- Section 1** Creates s. 570.843, F.S.; relating to the Florida Young Farmer and Rancher Advisory Council.
- Section 2** Creates s. 570.844, F.S.; relating to the Florida Young Farmer and Rancher Resource Clearinghouse.
- Section 3** Provides an effective date of July 1, 2018.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill has an insignificant negative fiscal impact on DACS. The bill will create an increase in workload relating to the Advisory Council and Clearinghouse, but DACS indicates that this workload can be absorbed within existing resources.⁸

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

⁸ Florida Department of Agriculture and Consumer Services, Agency Analysis of 2018 House Bill 645, p. 2 (Jan. 18, 2018).

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 6, 2018, the Agriculture & Natural Resources Appropriations Subcommittee adopted an amendment and reported the bill favorably as a committee substitute. The amendment removed the Florida Young Farmer and Rancher Matching Grant Program from the bill.

The bill analysis is drafted to the committee substitute as passed by the Agriculture & Natural Resources Appropriations Subcommittee.