



## **New Farmer Student Loan Assistance Program**

### **Purpose**

*The legislature finds that farming is central to this state's traditions and economy and essential for feeding residents of this state and beyond. The legislature also finds that as the population of farmers ages, this state faces a challenge recruiting and retaining new farmers. The legislature believes that higher education debt is a significant barrier for new farmers who work towards economic viability during the early years of their careers. The legislature therefore finds it in the best interest of the state to establish a program to provide financial assistance to new farmers carrying student debt in their first years of farming in exchange for a commitment to farming in this state. The purpose of the program is to recruit and retain new Wisconsin farmers of diverse backgrounds who have completed postsecondary education, regardless of field of study, previous state residency, or background in agriculture, and to sustain this state's small and midsize family farms while fostering innovation in sustainable best practices.*

### **Major Provisions**

- Assists at least 10-20 new young farmers each year who have completed higher education
- Grants up to \$30,000/person over a period of 5 years to help cover the cost of repaying student loans and interest, indexed to inflation
- Allows up to 25% of available funding each year to go to Farm & Industry Short Course graduates
- Promotes sustainable growth and retention of new farmers in Wisconsin:
  - Open to anyone farming in Wisconsin who meets the requirements
  - Requires a recipient farm for at least 5 years in Wisconsin
  - Funds recipients for 5 full years, adding additional recipients each year
- Prioritizes farmers who:
  - Have substantial financial need
  - Intend to pursue farming as a career
  - Are most likely to succeed in farming based on interest, training, expertise
  - Employ sustainable farming practices
- Allows for breaks in farming due to circumstances beyond someone's control, including military service
- Applications reviewed and recommended by council consisting of representatives from DATCP, UW-Extension, USDA Farm Service Agency, and both the agricultural and higher education lending sectors
- Initial cost is \$60,000 for 2016-17, increases to \$300,000 per year once program is fully implemented

### **45<sup>TH</sup> ASSEMBLY DISTRICT**

### **Requirements**

- Graduate from an accredited institution of higher education and receive an associate's or bachelor's degree (not limited to Wisconsin schools) or complete the Farm & Industry Short Course program at UW-Madison
- Be a state resident whose primary occupation is to operate a small farm, defined as between \$35,000 and \$500,000 in gross annual sales
- Apply within 5 years after obtaining a degree
- Begin to operate a small farm no later than 5 years after obtaining a degree
- Commit to operate a small farm for at least 5 years after applying to the program

### **Audit**

The bill requires that Legislative Audit Bureau audit the program after 7 years, and every 10 years thereafter, and submit a report including findings and recommendations to the legislature

### **Support**

Wisconsin Farm Bureau Federation

Wisconsin Farmers Union

National Young Farmers Coalition