

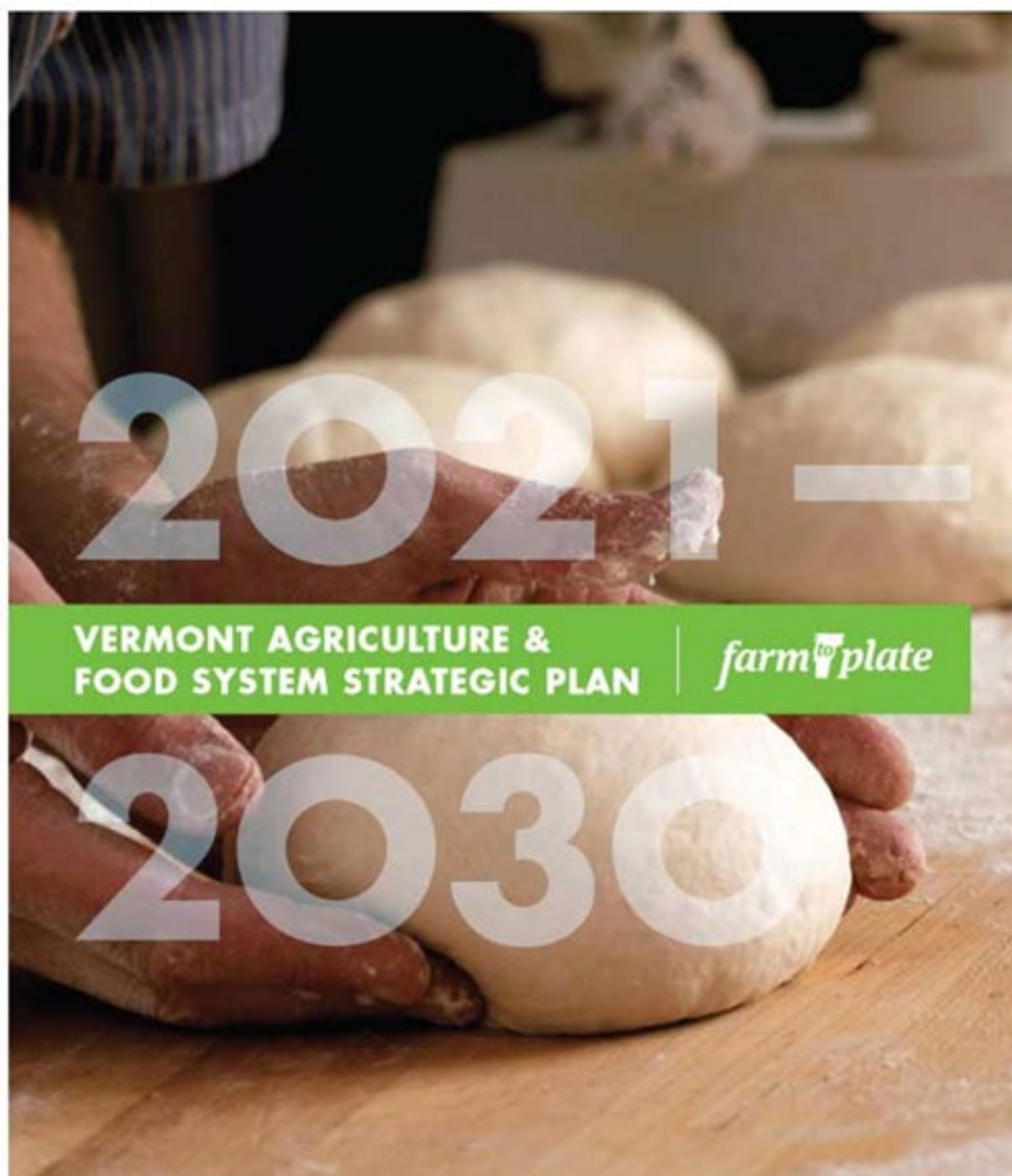


# H.386 and the Vermont Agriculture and Food System Strategic Plan

Presented to the House Committee on Agriculture, Food Resiliency, and Forestry  
4.03.25

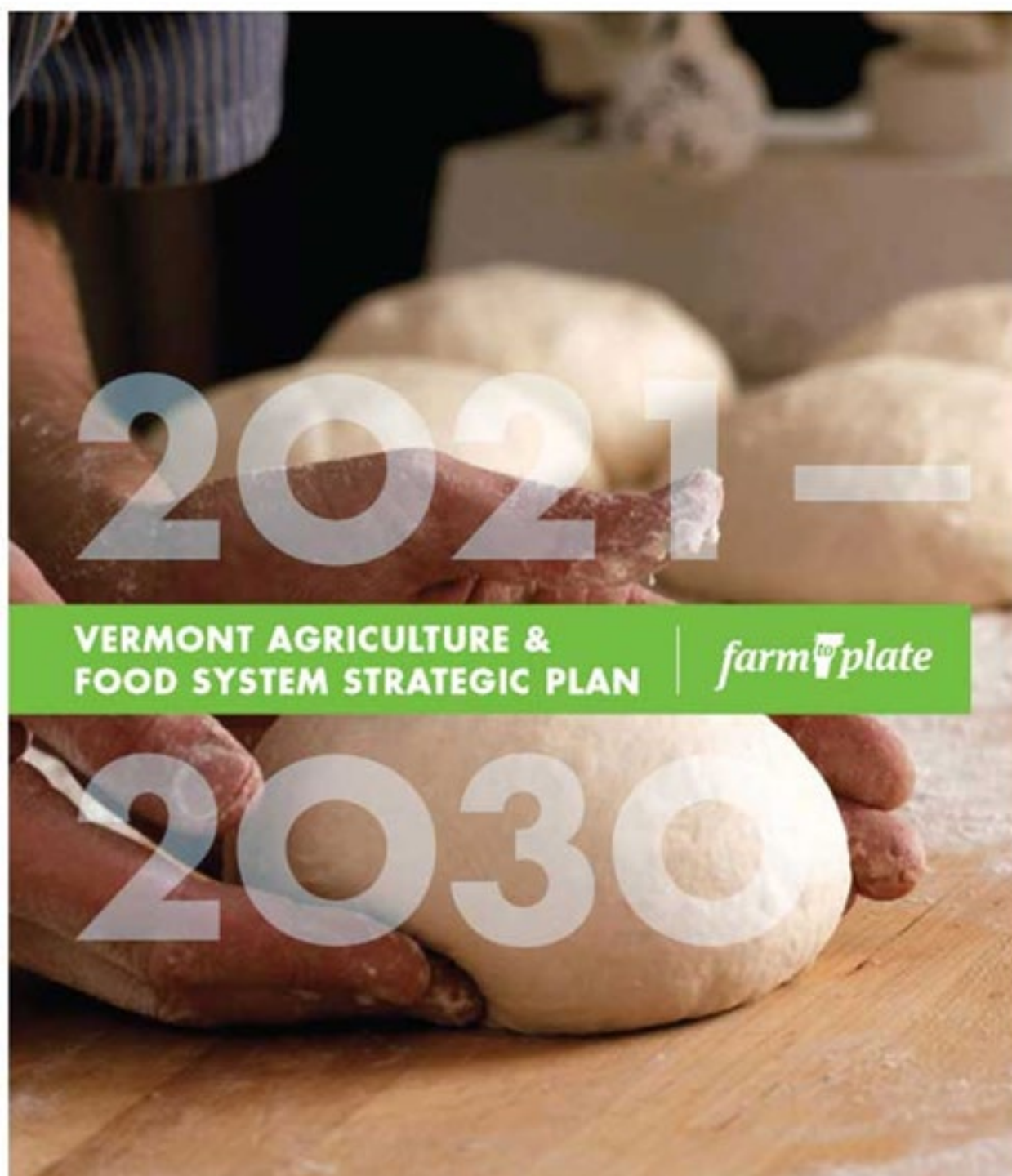






# Succession and Transfer: Critical to Reaching our State's Strategic Goals

**Goal 8:** Vermont's agricultural land remains in productive agricultural use, access to that land is more affordable and equitable, and land-use planning decisions maintain and promote a strong and viable food system.



# Specific Briefs That Address and Offer Succession and Transfer Related Recommendations

- [Succession Issue Brief](#)
- [Supporting Future Farmers Issue Brief](#)
- [Farmland Conservation Issue Brief](#)
- [Alternative Land Ownership and Access Models Issue Brief](#)
- [Tax and Legal Services Issue Brief](#)

# Indicators of An Inflection Point

Average age of Vermont farmer is **57.7**

**63.6%** *of farmers in VT are over the age of 55*

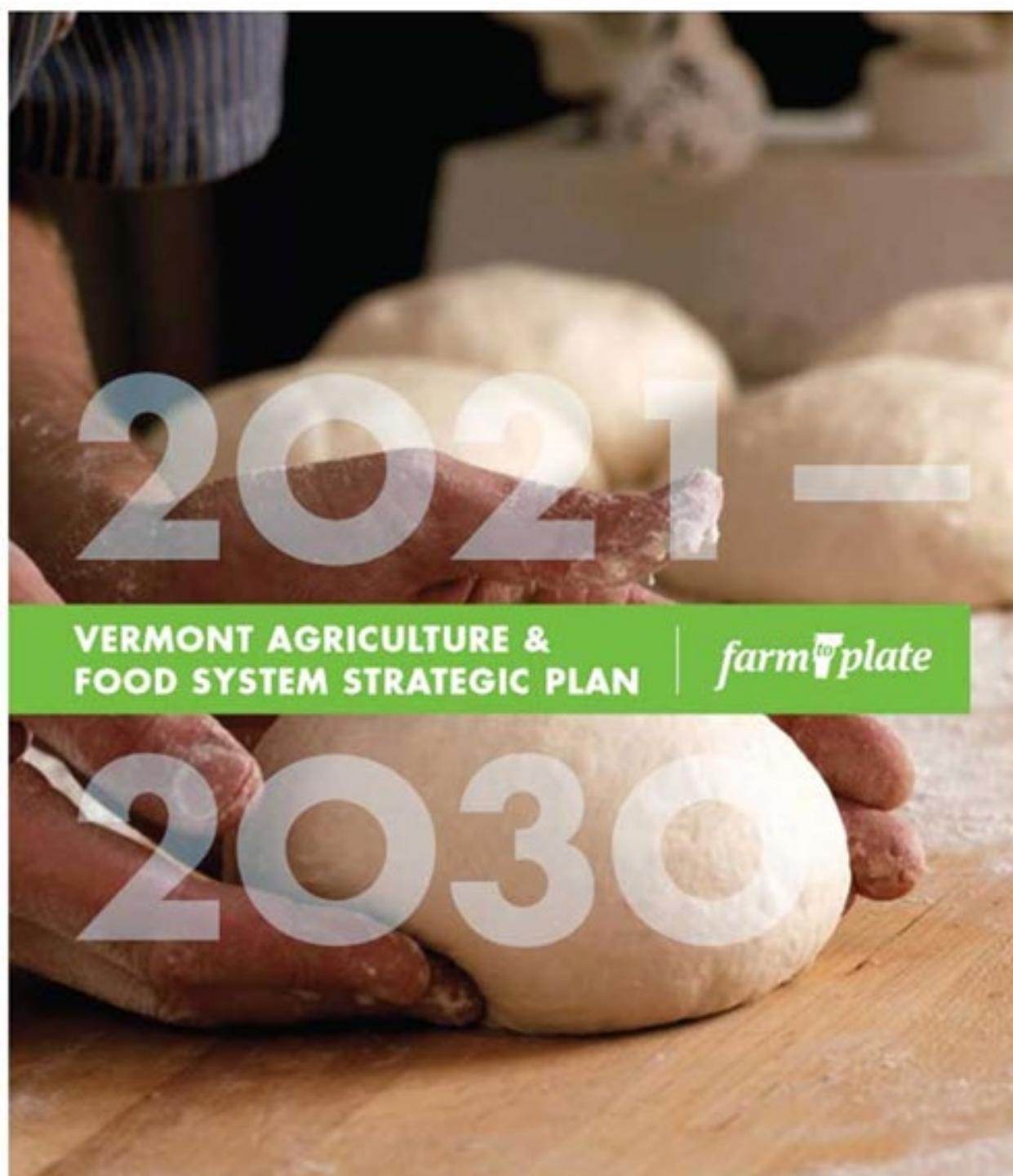
2021 —

VERMONT AGRICULTURE &  
FOOD SYSTEM STRATEGIC PLAN

*farm*<sup>to</sup>*plate*

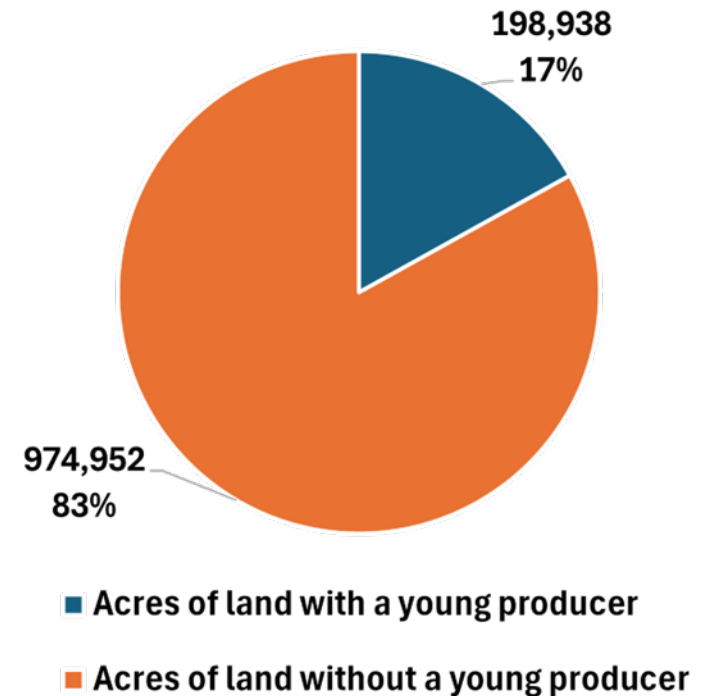
2030

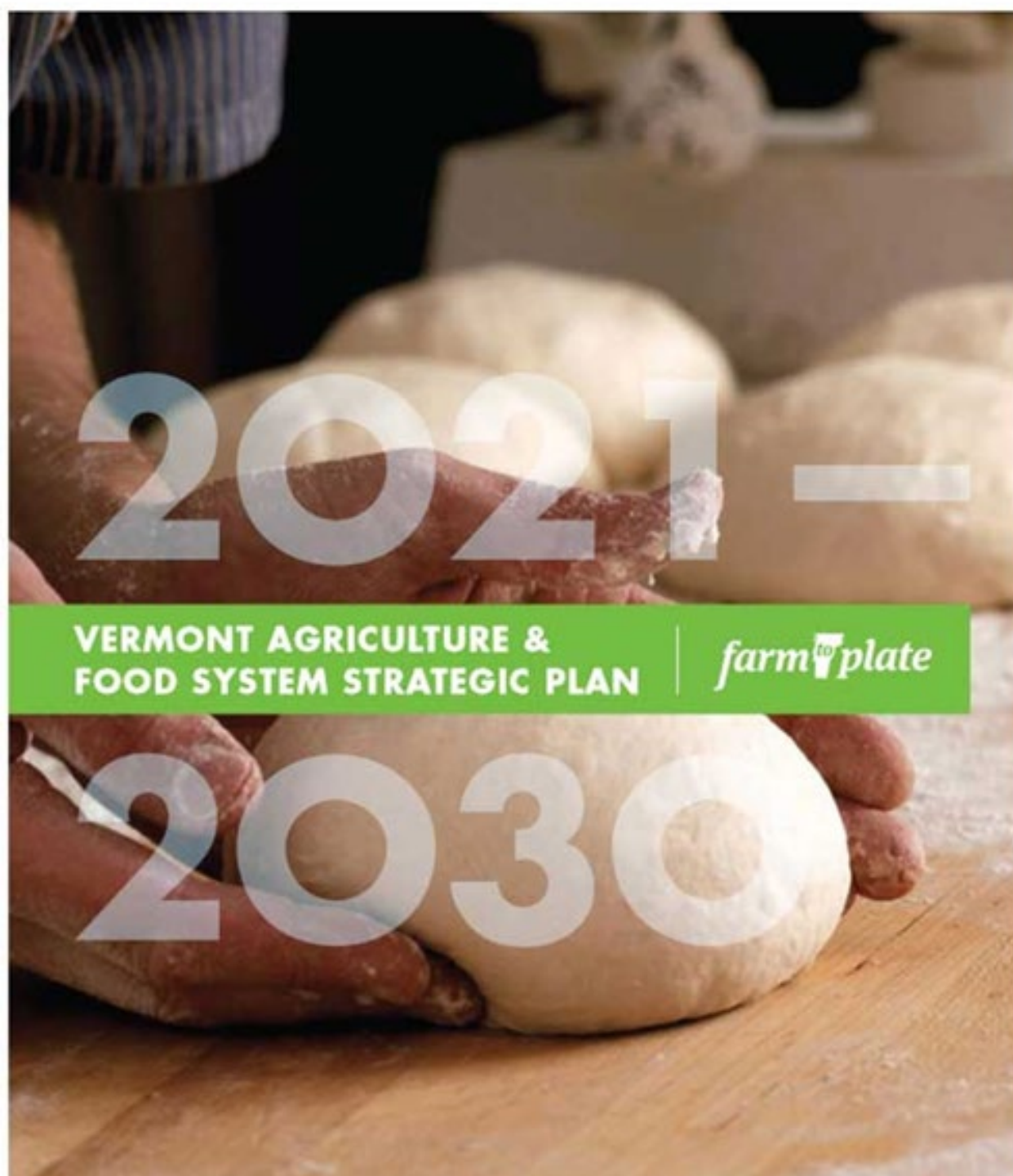




# Indicators of An Inflection Point

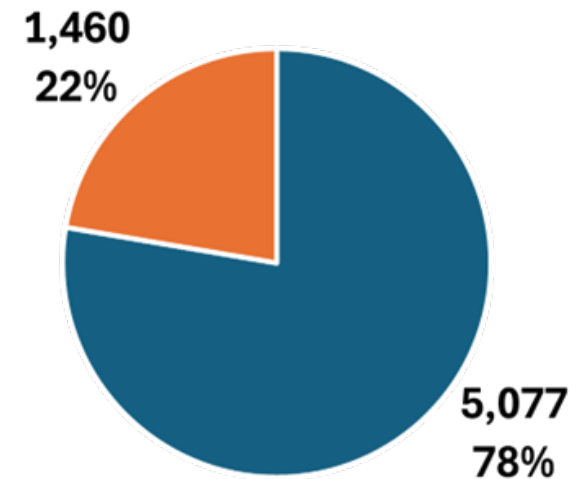
Acres of Land with a Young Producer (<35), 2022





# Indicators of An Inflection Point

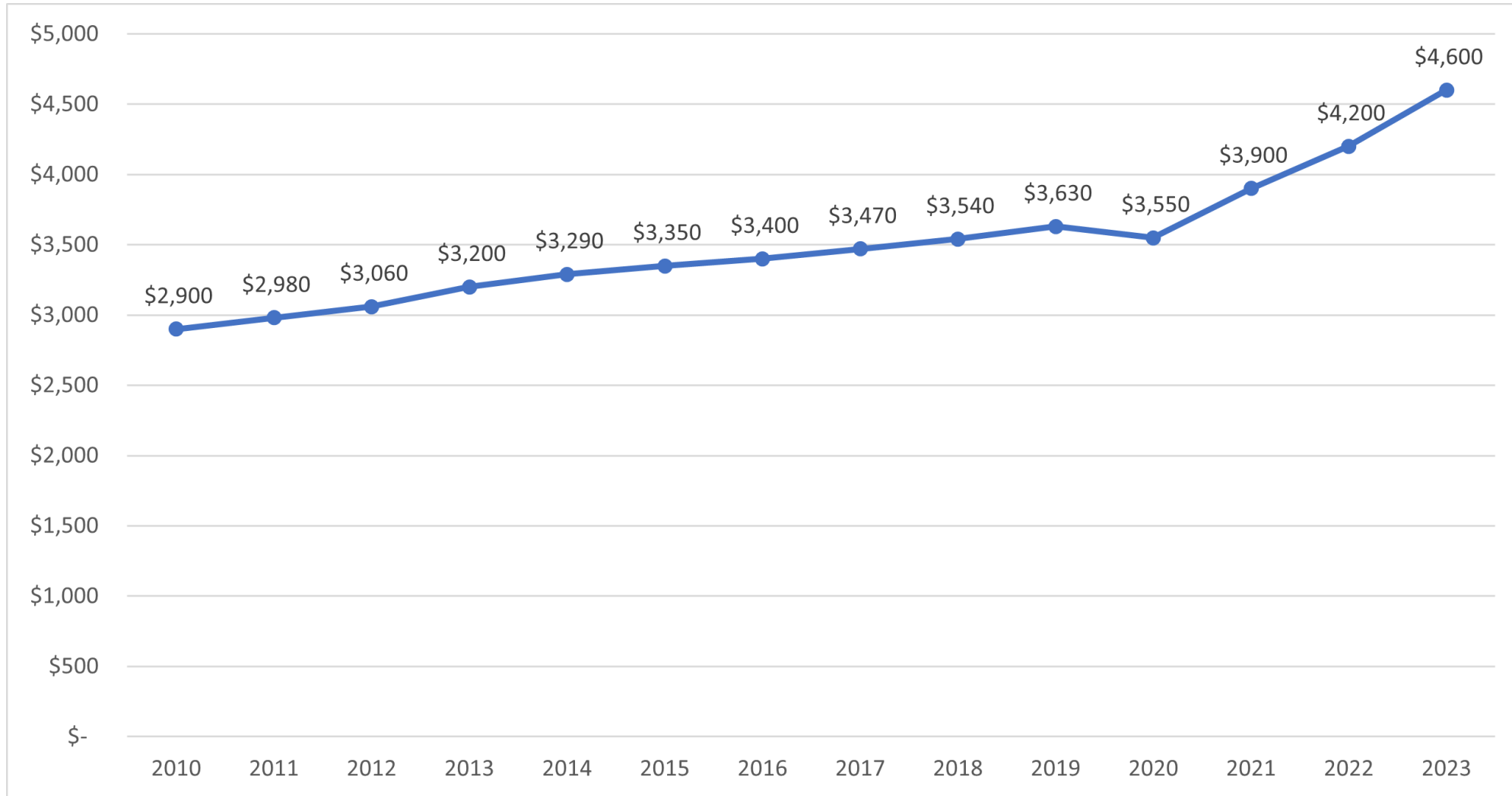
Farms with Legal Strucutre for Gradual Transfer,  
2022



- Legal Structure for Gradual Transfer
- No Legal Structure for Gradual Transfer

# Indicators of An Inflection Point

Value of farmland per acre, 2010-2023



**58.6%**  
**increase**  
since  
2010

# Strengths and Opportunities to Support Succession and Transfer

- Vermont's nationally renowned technical service providers, land trusts, nonprofits and others, with support and collaboration, have a demonstrated history of innovation and have a sincere interest in continuing to develop alternative methods to address land access issues. [Alternative Land Ownership and Access Models Issue Brief]
- The Farmland Access Program and accompanying farm business development technical assistance to accelerate farmland access can be expanded. [Supporting Future Farmers Issue Brief]
- Vermont has a strong foundation of existing programs and farmland access tools, such as the sale of development rights, to enable initial access to affordable farmland for farmers at all stages of their business development. [Succession Issue Brief]
- The farm service providers funded by the Vermont Farm & Forest Viability Program have done an excellent job of providing legal structure and farm transfer planning assistance. ***In light of the need, however, their resources are too thinly spread.*** [Tax and Legal Services Issue Brief]



# How H.386 Could Impact Implementation of Priority Strategies

2. Establish funding mechanisms (e.g., agricultural loan loss reserve, farm-transfer financing) to address specific food system investment gaps (e.g., for women and BIPOC-owned businesses).

1 3 15

9. Expand funding for existing programs dedicated to farmland access and conservation, and leverage this funding to increase land access through flexible and new ownership financing mechanisms, policies, and models. Examples include performance mortgages, shared equity models, ground leases, appropriation of \$3 million in low-cost capital to a Community Development Financial Institution or other lender, policy incentives to encourage multiple tenants or owners on larger tracts of land, and low-cost and long-term farm leasing on publicly held lands. There must be particular emphasis on the needs of beginning, socially disadvantaged, and BIPOC farmers.

1 3 8 13 15

11. Fund at least eight FTE additional business assistance provider positions to assist farmers with transfer and succession planning, access to capital, farm management, planning for transition or diversification to other products, and sales and marketing. This estimate includes four FTEs needed to work with dairy farms and two FTEs needed to work with other types of farms, specifically on succession planning.

1 3 8

# **A Note on Sec. 2. *Tax Incentives for Land Transfer and Succession; Report***

- Consider adding the Office of Vermont State Treasurer as a consulting entity
- Would provide expertise and insight on potential financial innovations for farmland access and transfer, and being responsible for managing investment of state funds, would provide clarity on how state investments could be leveraged for this purpose
- Has existing authority through Act 199 of 2014 to prioritize and increase local investment of state dollars. Act 199 established the Local Investment Advisory Committee (LIAC). The six-member committee advises the State Treasurer on funding priorities and addresses other mechanisms to increase local investments.
- Examples from other states that could be built upon e.g., linked deposit programs that use state deposits to secure lower interest rates, some specifically designed for farmland purchases.