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CA-SUPPORTED IMPROVEMENTS IN THE AGGIE BOND PROGRAM INCORPORATED IN THE FARM BILL TO HELP BEGINNING FARMERS

FERGUS FALLS, Minn. – A program to help beginning farmers that has been supported by Communicating for America (CA) for many years, received a significant update in the recently approved Farm Bill.

“Working with the National Council of State Agricultural Finance Programs (NCOSAFP) and others since the Aggie Bond-enabling legislation was passed in 1981, we have been able to initiate a number of changes in the program but none as significant as the changes made in this Farm Bill,” said Wayne Nelson, president of CA.

To help beginning farmers purchase land, farm equipment, farm buildings and breeding stock, several states operate special loan programs through “Aggie Bonds” that allow lenders to offer loans at a reduced interest rate. The loan rates and land size eligibility requirements have essentially stayed the same since the inception of the program.

Nelson said this new law increases the loan limits from \$250,000 to \$450,000 and indexes future limits to inflation. It also eliminated the dollar limitation on owned farmland and only uses the acreage restriction of 30 percent of the median size of a farm in the county to determine eligibility.

“There has been a lot of time and effort invested by a lot of people to make this happen,” said Jeff Ward, president of the NCOSAFP Steering Committee and head of the Iowa Agricultural Development Authority. “Specifically, I would like to thank Wayne Nelson and Patrick Pellerin of Communicating for America.”

Communicating for America is a 35-year-old, national nonprofit rural organization headquartered in Fergus Falls, Minn. CA is made up of farmers, ranchers and rural small business members throughout the country. For more information on CA visit the Web site at www.cabenefits.org.

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