



THE GENERAL COURT
OF
NEW HAMPSHIRE
CONCORD 03301

THOMAS R. EATON
PRESIDENT OF THE SENATE

GENE G. CHANDLER
SPEAKER OF THE HOUSE

SB 519 **Chapter 24:1, Laws of 2004**

*AN Act establishing a committee to study the establishment
of a farm viability program.*

FINAL REPORT

The Farm Viability Committee, established by SB 519 in pursuit of its mandated charge (Attachment #1) to investigate maintaining the viability of farm businesses within the state, provides to the New Hampshire General Court the following final report, consisting of its findings, recommendations, and proposed legislation.

This Committee attended listening sessions in N. Haverhill, Lancaster, Keene and Derry, and met nine times in Concord during the last year. Many current issues of critical concern heard by this Committee were expressed in 1979 by the New Hampshire Food Policy Committee report, attached to this document (Attachment #2). Little has been done to address these issues in the intervening decades; New Hampshire continues to experience the loss of family farms. The Committee also noted and explored additional issues of concern specifically relevant to the needs of New Hampshire citizens today. These issues include insuring food security for New Hampshire residents, restoring the viability and economic health of New Hampshire farm businesses, and ensuring access to a healthy and safe food supply within the state, given the challenges faced by rising costs of transportation and regulation.

In 2004, we face increased concerns about our food supply, from homeland security to the biosecurity of our farms and homesteads. We understand more fully the critical linkages between maintaining the quality of life for New Hampshire's countryside, preserving the historical rural heritage and culture of New Hampshire's countryside.

We face the continuing loss of farms and family farmers, now at dangerously low numbers, who face structural barriers such as burdensome rules and regulations, which inhibit their ability to conduct business. This in turn seriously diminishes the ability of New Hampshire farmers to provide a local food supply for our citizens who have made it clear that they want access to New Hampshire –raised products. New Hampshire faces an economic drain from this farm loss that jeopardizes New Hampshire’s ability in rural areas, to maintain critical and necessary infrastructures.

New Hampshire has a unique opportunity to address these issues and turn the tide that is sweeping away the stability and value of our agricultural heritage. New Hampshire can act today and preserve the viability of our state’s native food supply while enhancing the ability of local businesses to prosper. With these needs before us, we respectfully submit our findings and our recommendations for action.

FINDINGS

1. Farming and other agricultural interests are a vital part of New Hampshire’s economy and need much more attention. They intertwine many different state agencies and programs, which need each other for survival and/or growth.
2. The agricultural interests of the State expressed overwhelming concern that the University of New Hampshire Cooperative Extension needs to be properly funded in order to continue serving them properly.
3. The agricultural interests perceive they lack access to the Legislature to express their questions and concerns.
4. The Committee found that there are laws, rules and regulations that are hindering the economic viability of New Hampshire farms.

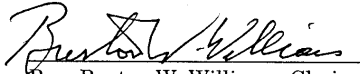
RECOMMENDATIONS

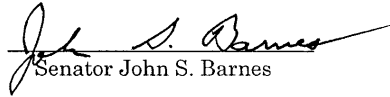
1. This Committee feels that the University of New Hampshire Cooperative Extension needs a full examination to ensure that the programs are able to and are supporting the agricultural interests of the State. Some suggestions that the Committee recommends are:
 - The Committee would like to ensure that the money for the Cooperative Extension is well-spent and the program is properly funded.
 - All agricultural specialist positions are filled and supported.
 - The University System creates an endowed chair, through gifts and endowments, to fund a position such as an agricultural engineer.
 - Increasing the emphasis on the N.H. equine industry, livestock industry, agronomy and local food production.
2. The members of this Committee recommend that this study committee continues for at least the 2005-2006 Session, in order to study the important issues brought up during its meetings. A report shall be submitted at the end of each year. This Committee will oversee a farm viability task force and charge them with their duties.
3. This Committee recommends the establishment of a farm viability task force appointed by the Governor, which would include agricultural agencies and all agricultural interests. The task force would meet on a regular basis and be charged with keeping the Committee abreast of important changes in direction and activities in the industry.
4. Federal WIC and Food Stamp Programs are a vital part of the New Hampshire Farmers' Markets, but the rules and regulations need to be fine tuned, such as supporting the use of Electronic Balance Transfer Cards.
5. The Committee feels emphasis, pressure and incentives should be put on public and private entities to produce, procure and sell more New Hampshire products.
6. The State should promote positive attributes of New Hampshire agriculture by highlighting successful activities and groups, such as Community Supported Agriculture and Farmers' Markets.

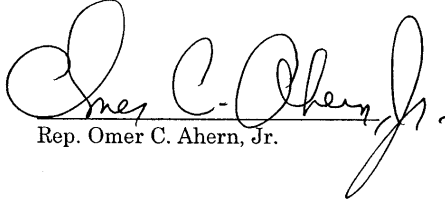
7. The members recommend that HB 481, Chapter 228:1, Laws of 2003 Study Committee, pricing of milk products, be re-established because it directly affects agriculture in New Hampshire.
8. This Committee would like to be on record as strongly supporting bio-diesel legislation. The Committee found that bio-diesel would have a positive effect on the farming community and the environment.
9. The Committee supports the concept of LCHIP handling part of the farm viability program, relative to the purchase of term easements and public access to agricultural land. LCHIP would work with the Department of Agriculture to make this possible. The viability program will offer grants and technical assistance for farmers to develop business plans and plan for generational transfer, in exchange for granting term easements. This is in order to provide LCHIP the additional tools for preserving farms and farm land.

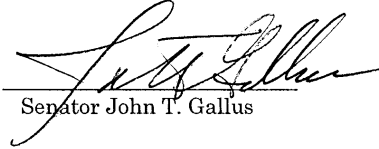
LEGISLATION TO BE FILED

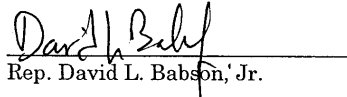
1. Legislation will be proposed to exempt tower silos from taxation.
2. Legislation will be proposed to amend the existing statute relative to the state meat inspector. This would be paid for through producer and/or grant funding.
3. Legislation will be proposed to reduce the taxation on agricultural buildings, related to food and fiber production, which will be enabling to individual communities. This could be patterned after the Old Barn Tax Easement legislation, RSA 79:B.
4. Legislation will be proposed to amend the LCHIP laws to further define public access to agricultural land and enabling term easements.
5. Legislation will be proposed to continue SB 519, Chapter 24:1, Laws of 2004, Study Committee, establishment of a farm viability program.
6. Legislation will be proposed to continue HB 481, Chapter 228:1, Laws of 2003, Study Committee, pricing of milk products
7. A Joint Resolution will be proposed to support the recommendations of this Committee relative to the University of New Hampshire Cooperative Extension.

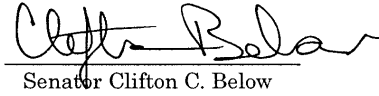

Rep. Burton W. Williams, Chairman

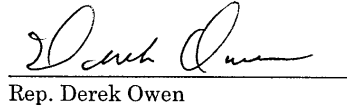

Senator John S. Barnes


Rep. Omer C. Ahern, Jr.


Senator John T. Gallus


Rep. David L. Babson, Jr.


Senator Clifton C. Below


Rep. Derek Owen


Rep. Emma L. Rous

Report Date: December 1, 2004

CC: The Honorable Craig Benson, Governor
The Honorable Thomas Eaton, Senate President
The Honorable Gene Chandler, Speaker of the House