

## Online tool to assist beginning farmers

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The Department of Agriculture has established an online tool that can link retiring farmers who have expiring Conservation Reserve Program contracts with beginning farmers or ranchers who are interested in bringing the land into production.

The new online resource, TIP Net, is a website provided by the Farm Service Agency (FSA). Through the Transition Incentives Program (TIP), producers with land for sale or lease are introduced to qualified beginning or socially disadvantaged farmers and ranchers who want to buy or rent land for their operations.

“The interest in TIP during the first six months of implementation has far exceeded our expectations,” said Agriculture Secretary Tom Vilsack. “This tool should make TIP even more effective in facilitating the transition of land to our next generation of farmers.”

TIP provides up to two additional Conservation Reserve Program (CRP) annual rental payments to a retired or retiring owner or operator with an expiring CRP contract. To qualify, the landowner must sell or lease the CRP land to a beginning or socially disadvantaged farmer or rancher so the new operator can convert some or all of the land to production using sustainable grazing or crop production methods.

As of Nov. 30, TIP participation included 372 contracts on more than 52,000 acres, with nearly \$5 million obligated for TIP annual rental payments.

For beginning and socially disadvantaged farmers or ranchers who cannot qualify for conventional credit, FSA offers financing as well. FSA makes direct loans and guaranteed loans made by conventional farm lenders to finance the purchase and operation of a farm. Each fiscal year, the agency targets a significant portion of its direct and guaranteed farm ownership and operating loan funds to beginning and socially disadvantaged farmers or ranchers. In the fiscal year ending Sept. 30, 2010, FSA made or guaranteed 18,700 loans totaling \$1.975 billion to beginning and socially disadvantaged farmers. In addition to the funding reserves, FSA operates a special “down payment” loan program to assist socially disadvantaged and beginning farmers in purchasing a farm. Like TIP, this program can help retiring farmers transfer their land to future generations.

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Additional information on FSA farm loan programs is available online at [www.fsa.usda.gov](http://www.fsa.usda.gov) or from any FSA office. TIP Net can be found [online](#) .