



A Northeast Farm Bill Agenda

Background: The Northeast has an unprecedented opportunity to shape the 2007 Farm Bill to be more responsive to our region. Groups from across the Northeast have been working together to agree on and advance ten “must have” policy priorities. This is part 2 of a 10-part series in which we look at each priority in more detail. The full Agenda is available at www.northeastagworks.org.

Priority 2: Foster economic and regional market development

What is unique about Northeast’s food and farm sector?

The Northeast food system is remarkable for its diversity and the proximity of producers to markets. While our 165,576 farms are only 7.8 percent of total U.S. farms, they represent a disproportionately high percent of specialty crop, direct-to-consumer and organic sales. Specialty crops (defined as vegetables, fruits potatoes, tree nuts, nursery, greenhouse, floriculture, sod, cut Christmas trees, short rotation woody crops and aquaculture) account for 32 percent of N.E. farm sales, compared to 21 percent nationally.

With exports only 17 percent of N.E. sales, our producers rely heavily on local and regional markets -- 69 million people living at a population density of four times the national average. Currently, thirteen percent of the N.E. workforce is dependent on agriculture. N.E. citizens – producers and consumers – are more diverse than other regions, offering unique advantages for new products, new markets and new opportunities in the N.E. food system.

What economic challenges are associated with these unique characteristics?

Many of the Northeast’s relatively small, mostly diversified farms struggle to compete with larger, specialized farms from other regions. They often have lower average costs of production and receive the lion’s share of federal support because of what or how much they produce. Although N.E. farms lead the nation in direct-to-consumer sales, less than 4% of N.E. farm sales are direct. This means that most N.E. farms are part of the “disappearing middle” – needing new, regional specialty markets and improved supply chain arrangements.

While about half of N.E. farms and farmland are in metro areas, only 8 percent of federal agriculture and natural resource dollars go to metro areas, nationally. Many N.E. areas with active agriculture do not qualify for federal “rural” programs. There is inadequate support for specialty crop producers, regionally based infrastructure such as meat processing facilities, and urban food access. Often, federal programs are not flexible to address regional needs and foster regional (inter-state) markets.

How can the next Farm Bill Foster economic and regional market development in the N.E.?

Northeast farmers are looking for policies and programs that foster economic opportunity for their types of farms and markets. With higher funding levels and improved implementation, some existing programs would be more beneficial to the Northeast. These include the Value Added Producer Grants, the Farmers Market Nutrition, and specialty crop programs, for example. Removing the barriers to inter-state shipment of meat, supporting infrastructure development and enabling local and regional sourcing for food programs are examples of new ideas that are being promoted.

There are proposals for the next Farm Bill to create “farm viability” programs modeled on those in several N.E. states that assist farms to develop their businesses. Fostering farm and food system economic development for the Northeast means focusing on local and regional markets. It means support for market promotion, product development, farm entry and transfer available to all farm operators, regardless of what or how much they produce.

See the full Agenda for proposed policy reforms and innovations. Visit www.northeastagworks.org.