

What is OAHP?

The Oregon Agricultural Heritage Program (OAHP) is a bill that would help Oregon farmers¹ and ranchers plan for succession and preserve their land for future generations. OAHP (HB 3249) fulfills long-identified need for a state program to keep agricultural land in production, help agricultural landowners conserve their lands and pass them on to the next generation, and protect and enhance fish and wildlife habitat on working lands.

How OAHP was Created

In 2015, Governor Brown's office convened the OAHP Work Group, which met for over one year to develop a suite of voluntary programs to address both farm succession and farmland preservation; OAHP was the product of this collaboration. The Work Group is composed of six diverse agricultural and natural resource conservation organizations that represent thousands of landowners across Oregon. Work Group members are: Oregon Farm Bureau, Oregon Cattlemen's Association, Coalition of Oregon Land Trusts, Oregon Association of Conservation Districts, Sustainable Northwest, The Nature Conservancy, and a farmer and rancher representative.

OAHP is designed to...

- Keep farms & ranches in business – now and for future generations – supporting rural communities & economies
- Protect and enhance fish and wildlife habitat and other natural resource values through voluntary conservation.
- Bring largely untapped federal dollars to Oregon.

Elements of OAHP / House Bill 3249

1) Voluntary Tools for Succession and Conservation

a. Working Lands Easements, Covenants & Conservation Management Plans

The bill would create the Oregon Agricultural Heritage Fund to provide much-needed match funding for these voluntary conservation tools. Permanent working lands easements and 20-50 year covenants allow landowners to sell development rights, keeping the land in agricultural production while supporting associated fish and wildlife habitat. The cash from the sale of these rights also helps the farmer or rancher build their business or divide their estate between their heirs without having to sell off or develop parcels of land. The ranking criteria for easement, covenant and conservation management plan proposals include the extent to which projects protect, maintain or enhance farm and ranch operations as well as fish or wildlife habitat, water quality, or other natural resource values. Project participants must demonstrate that they understand and agree to their roles and responsibilities.

b. Technical Assistance for organizations that enter these agreements with landowners.

c. Farm and Ranch Succession Workshops through OSU Extension's Ties to the Land program.

2) Oregon Tax Study

OAHP will require a study of the incentives and barriers to agricultural land transfer and succession planning based on Oregon's current tax structure. The study will focus on Oregon's estate tax and identify ways to improve the ability to maintain agricultural lands while conserving natural resources.

2) Oversight and Administration

OAHP establishes the Oregon Agricultural Heritage Commission to: 1) recommend program funding and decisions to the Oregon Watershed Enhancement Board (OWEB), 2) serve as a rules advisory committee, and 3) offer technical expertise. The 12-member Commission will consist of experts from agricultural, natural resource, conservation, Tribal, and public sectors to ensure that the program achieves the best outcomes.

Why OAHP is Needed

¹ Our use of the words "farm" and "farmers" in this document also refer to ranchers and rangeland.

Oregon Agricultural Heritage Program – Talking Points

Oregon hosts a mosaic of landscapes that include complex river systems, forests, prairies, grasslands, and active farm, forest and ranch lands. These landscapes support our state's economy and the health of our environment. The more tools available to support landowners, land trusts, and conservation partners in their ability to work across large landscapes, the better poised Oregon is to respond to emerging issues like declining rural communities, intergenerational land transfer, and the loss of open space and natural habitat on farmland.

1) Oregon farmers, ranchers, and agricultural landowners face increasing external pressures.

Oregon's well-managed agricultural lands are the cornerstone of the state's rural communities and food systems – 16.3 million acres of agricultural land support the state's second largest economic sector, with an impact of \$8.2 billion in 2015.² These lands are also largely family-owned - almost 80 percent of Oregon's principal farm operators own their land (compared to 61 percent nationally) and 97 percent of Oregon farms are family-owned. Yet two-thirds (10.45 million acres) of Oregon's agricultural lands will change hands in the next 20 years, and up to 80% of Oregon's farmers and ranchers may not have a succession plan.³

In the process of an unplanned transition, Oregon's agricultural lands and their associated wildlife and environmental values are vulnerable to sale for non-farm uses, fragmentation, or eventual development. Properties that are transferred quickly as a result of an unplanned estate are increasingly sold to investors who may hold the land for future development or consolidate parcels, and who are far less likely than resident owner-operators to be involved in the surrounding rural communities and economies.

2) Preserving farmland and our agricultural economy is of high value to Oregonians.

Attention to agricultural land tenure is integral to building healthy economies, healthy environments, healthy people, and healthy communities across the state. According to the 2013 Oregon Values and Beliefs Survey conducted by the [Oregon Values & Beliefs Project](#), the majority of Oregonians want productive farm and forest land to be protected from development. The survey also suggests that residents support concentrating growth within existing cities and towns to save farmland. The OAHF Work Group envisioned OAHF as an essential foundation to preserve Oregonian values such as:

- The ability to enjoy local agricultural products and to connect with the producer;
- The protection of agricultural lands that provide open space and wildlife habitat; and
- Investment in local economies for healthy rural communities.

3) There is a great need for a state-level funding match for agricultural/conservation easements.

OAHF would be a state-level funding match tool for land trusts, Soil and Water Conservation Districts, and other organizations to pay landowners for working lands easements. These easements protect land from development, allow the land to stay in production, and help farmers (who are land-rich and cash-poor) obtain cash to help with succession. Land protected by easements provides public benefits by protecting water quality and wildlife habitat, preserving open space, and protecting working lands from outside interests.

Federal programs, such as the [Natural Resources Conservation Service \(NRCS\) Agricultural Land Easement \(ACEP-ALE\) program](#), protect well-managed agricultural lands. However, there is currently no state-level grant program to provide the required match to capture these funds. As a result, each year Oregon leaves millions of federal dollars on the table. OAHF would address this problem.

² "The Future of Oregon's Agricultural Land," a 2016 report published by Oregon State University, Portland State University, and Rogue Farm Corps

³ Id.