

# Statement of the American Farm Bureau Federation

## To The Senate Special Committee on Aging

"The Aging Farm Workforce: America's Vanishing Family Farms" June 4, 2025

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Chairman Scott, Ranking Member Gillibrand, and members of the committee, including from my home state of Georgia, Senator Warnock, thank you for the opportunity to testify before you today.

I am Zippy Duvall, a third generation Georgia farmer and president of the American Farm Bureau Federation, representing farm families in all 50 states and Puerto Rico. I am fortunate to follow in my father and grandfather's footsteps by taking over our family farm. Today, my son and I operate a beef cow herd, raise broiler chickens, and have restored the land that has been in our family for over 90 years.

The latest USDA Census of Agriculture revealed that nearly 40% of all farmers are at or beyond retirement age, while just 8% of farmers are under the age of 35. As older farmers outpace younger farmers, we should all be concerned about the future of family farms and the security of our food supply.

As this committee identified in its March 2025 report, "America's Aging Farm Workforce," there are many challenges facing the agriculture community, but there are also opportunities to support young and beginning farmers and help sustain the current agriculture workforce, including a new farm bill.

### Farm Economy and Farm Bill Reauthorization

I shared this with the Senate Agriculture Committee earlier this year, and the urgency has only increased since then. We need a modernized, five-year farm bill. Farmers and ranchers have faced unprecedented volatility since the last farm bill was reauthorized in 2018. A pandemic, record-high inflation, rising supply costs, and global unrest have hit family farms, making it harder for many to hold on. Sadly, the 2022 census showed the loss of over 140,000 farms in 5 years. That's an average of 77 farms per day.

This year, farmers will plant one of the most expensive crops ever. Due to rising interest rates, higher energy prices, and input costs that have gone unchecked, many farmers face the tough decision of whether or not to plant a crop. This is why an increase to the farm bill's Title I safety net is critical.

USDA's most recent Farm Sector Income Forecast has shown a \$41 billion decrease in net farm income, down nearly 25% from 2022. Since crop prices peaked in 2022, they have taken a nosedive. Corn and wheat are down 37%, soybeans down 28%, and cotton down 22%.

At the same time, input prices have remained high. As compared to 2020, the cost to produce an acre of corn has grown by nearly 30% nationally. The combination of low crop prices and high supply costs has many farmers facing losses on every acre they plant. Despite these increased costs, 2024 payments to farmers are projected to be the lowest since 1982.

## Access to Credit

Additionally, farm debt is expected to continue to increase in 2025 to more than \$560 billion. That's a half trillion dollars in debt. As farms continue to carry larger debt loads without increasing net cash revenue, they also experience worsening credit. In previous years, farmers and ranchers supported their credit with continuously increasing farmland values, but those

increases have slowed. As farms lose options to support continued borrowing and use up their limited working capital, many farms may close before reaching the point of bankruptcy.

Our members support streamlining farm loan programs to better meet the evolving needs of farmers and ranchers. This includes ensuring loan amounts reflect rising farm-level expenses and reducing burdensome application requirements for young and beginning farmers to better align with standard agricultural lending practices. We also support prioritizing access to direct and guaranteed loan funds for applicants who are either new to farming or experiencing temporary financial hardship due to adverse ecological or industry-related conditions. We commend USDA Secretary Rollins' Small Family Farms Policy Agenda. It highlights the need to reform loan programs to streamline delivery and increase program efficiencies.

## **2025 Tax Legislation**

At a time of great economic uncertainty, farmers, ranchers and many other small businesses are facing the prospect of what may be the largest tax increase in American history. Failing to extend the expiring provisions of the 2017 Tax Cuts and Jobs Act (TCJA) would take billions of dollars out of farmers' pockets when they have no dollars to spare. One provision that is crucial for keeping family farms going from one generation to the next is the increased estate tax exemption. If the exemption level reverts, many families risk losing their farms. Congress must find a way to create a stable business environment by making permanent the expiring TCJA provisions and ensuring America's farms and ranches can continue to provide the food, fiber and renewable fuel this country needs. Farm Bureau was pleased to see progress made with the House passage of the One Big Beautiful Bill Act two weeks ago.

## <u>Farm Labor</u>

Of course, we cannot paint the full picture on this issue without talking about the employees who work alongside us. For many of us, they are like family, and they are aging right along with us. That's a problem because most Americans don't have any interest in working on a farm, despite big investments in recruitment. Congress must confront that reality and do something about it, starting with necessary reforms for our agricultural workforce. That means modernizing our outdated system by making crucial improvements to the H-2A guest worker program and recognizing farmworkers as essential to feeding and fueling our country.

#### AFBF Young Farmers and Ranchers Program

Finally, it can be difficult for young farmers to find peers to connect with and share ideas. Farm Bureau's Young Farmers & Ranchers (YF&R) Program creates space for that connection fostering collaboration, leadership development, and community for young leaders. I would not be where I am today without Farm Bureau's county, state, and national YF&R program. I made lifelong friends and gained leadership skills that continue to serve me well today.

Farm Bureau is proud to support young agricultural leaders, but we need your partnership to ensure they can thrive.

A country that cannot feed its people is not secure, and to meet the growing demand for food, fiber and renewable fuel at home and abroad, we must ensure the continued strength of our farming and ranching communities. I look forward to working with you to support the next generation of farmers.

Thank you, Mr. Chairman, for holding today's hearing. I am happy to answer any questions the committee has.