

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: PCS/SB 872 (620914)

INTRODUCER: Appropriations Committee (Recommended by Appropriations Subcommittee on the Environment and Natural Resources) and Senator Grimsley

SUBJECT: Young Farmers and Ranchers

DATE: February 21, 2018 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Akhavein</u>	<u>Becker</u>	<u>AG</u>	Favorable
2.	<u>Blizzard</u>	<u>Betta</u>	<u>AEN</u>	Recommend: Fav/CS
3.	<u>Blizzard</u>	<u>Hansen</u>	<u>AP</u>	Pre-meeting

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Technical Changes

I. Summary:

PCS/SB 872 creates the Florida Young Farmer and Rancher matching grant program within the Department of Agriculture and Consumer Services (department) to support start up functions for new farming and ranching operations. An individual with less than 10 years of farming or ranching experience who is between the ages of 18 and 35 or is a veteran as defined in s. 1.01, F.S., will be eligible for a grant award. If funded by the legislature, each grant award must be between \$5,000 and \$20,000, and a recipient may receive only one award per year. The bill requires the department to establish a webpage with a resource center for young farmers and ranchers.

The bill establishes the Florida Young Farmer and Rancher Advisory Council within the department. The Commissioner of Agriculture (commissioner) will appoint 12 members to the council. The council may submit findings and recommendations for mitigating challenges facing young farmers and ranchers to the commissioner.

The department will incur an indeterminate increase in costs relating to workload to implement the provisions of the bill. These costs will be absorbed within the department's existing resources. The bill creates a new grant program that is contingent upon specific appropriation by the Legislature. The department will incur additional workload associated with the implementation of the grant program. The costs associated with this workload will need to be

funded through the overall appropriation for the grant program. This bill does not provide funding for the grant program.

The bill takes effect July 1, 2018.

II. Present Situation:

Currently, there are no grant programs or councils within the department specifically to assist young farmers and ranchers. The department does provide resources through its Agricultural Industry,¹ Grant Opportunity,² and Business Development³ public webpages. At this time, financial resource content is limited to assisting growers with export operations.

III. Effect of Proposed Changes:

Section 1 creates s. 570.842, F.S., to establish the Florida Young Farmer and Rancher Matching Grant Program. The bill requires the department to administer grants to foster the creation and expansion of agricultural businesses by young farmers and ranchers in Florida. The bill requires the department to adopt rules regarding the program. To be eligible, grant recipients must be:

- An agricultural producer who is at least 18 years of age but younger than 35 years of age or who is a veteran;
- A farmer or rancher with less than 10 years' experience;
- Demonstrate, at a minimum, a dollar-for-dollar matching investment for grant money requested; and
- Timely in submitting a grant application.

The bill specifies that each grant award must be between \$5,000 and \$20,000 and no more than one award per year may go to a recipient. Grant funding for the program is contingent upon specific annual appropriation by the Legislature.

Section 2 creates s. 570.843, F.S., to establish the Florida Young Farmer and Rancher Advisory Council within the department. The bill specifies the membership and terms of the council and its statutory requirements. The bill specifies issues for which the council may provide findings and recommendations to the Commissioner of Agriculture.

Section 3 creates s. 570.844, F.S., to authorize the department to establish on its website a clearinghouse for resources available to young and beginning farmers and ranchers. These resources could include local, state, federal, and private sources of grants, loans, and scholarships, as well as general resources on finance and business planning.

¹ Information pertaining to the agricultural industry may be retrieved from <http://www.freshfromflorida.com/Agriculture-Industry/Search-by-Industry>.

² Information pertaining to grant opportunities can be retrieved from <http://www.freshfromflorida.com/Business-Services/Grant-Opportunities>.

³ Information pertaining to business development can be retrieved from <http://www.freshfromflorida.com/Divisions-Offices/Marketing-and-Development/Agriculture-Industry/Business-Development-Resources/Exporting-Florida-Agricultural-Products>.

Section 4 provides that this act shall take effect July 1, 2018.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Florida's young farmers, ranchers and veterans with new farming and ranch operations may benefit from the grant program.

C. Government Sector Impact:

The Department of Agriculture and Consumer Services will experience increased workload relating to the advisory council and clearinghouse. The costs associated with these administrative responsibilities, while indeterminate, can be absorbed within the department's existing resources.

If the legislature provides funding for the Florida Young Farmer and Rancher Matching Grant Program, the department will incur additional workload, depending on the amount of the annual appropriation and the size of the applicant pool.⁴ Temporary staff may be needed to manage the application and grant award process.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

⁴ Department of Agriculture and Consumer Services, *Senate Bill 872 Agency Bill Analysis*, (Dec. 8, 2017) (on file with the Appropriations Subcommittee on the Environment and Natural Resources).

VIII. Statutes Affected:

This bill creates sections 570.842, 570.843, and 570.844 of the Florida Statutes.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

Recommended CS by Appropriations Subcommittee on the Environment and Natural Resources on January 24, 2018:

The committee substitute includes a technical revision to clarify the definition of a veteran.

- B. **Amendments:**

None.