

THE DEATH OF SMALL FARMS: HOW FEDERAL
REGULATIONS DISADVANTAGE SMALL FARMERS (A CASE
STUDY ON THE IMPACT OF FEDERAL REGULATION ON THE
SMALL FARM INDUSTRY OF THE SOUTHERN WILLAMETTE
VALLEY)

by

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This research analyzes the impacts of federal agricultural policy on small farmers, specifically focusing on the Agriculture Improvements Act of 2018 and the 2025 federal funding freeze. This project followed a two-fold methodology: an extensive literature review of the 2018 Farm Bill and an ethnographic case study. The research on the Agriculture Improvements Act of 2018 reviewed five major sections- Titles I, III, V, X, and XI- to analyze existing federal regulations, grants, and assistance programs most impactful to small farmers. The ethnographic portion of the research focused on the Southern Willamette Valley in Oregon. The research was originally intended to consist of a multi-interview case study on small farmers throughout the valley, however, the focus of the project pivoted due to the occurrence of the 2025 federal funding freeze. Two interviews were conducted: one with Shelley Schuler, a small farm owner and operator, and the second with Sophie Els, policy associate for Oregon Climate and Agriculture Network (ORCAN). The interviews aimed to pinpoint how current federal regulation was limiting small farmer's success, how the 2025 federal funding freeze was impacting small farmers right now, and what priorities the development of the upcoming Farm Bill should follow. The interviews determined that the two major impacts of the 2025 federal funding freeze were paused federal grants with uncertainty of fulfilment obligations-Rural

Energy for America Program (REAP) and Partnerships for Climate-Smart Commodities (PCSC) -and the termination of key programs- such as Environmental Quality Incentives Program (EQIP), Local Food Purchase Assistance (LFPA), Local Food Promotion Program (LFPP), Conservation Stewardship Program (CSP), and USAID. To provide ample support to small farmers, the two essential factors in the development of the upcoming Farm Bill are maintaining current nutrition funding- to allow for Supplemental Nutrition Assistance Program (SNAP) and Double Up Food Bucks to retain current operations- and the reinstatement of key cancelled programs- such as Environmental Quality Incentives Program (EQIP), Local Food Purchase Assistance (LFPA), Local Food Promotion Program (LFPP), Conservation Stewardship Program (CSP), and USAID. This research is integral in providing small farmers with the necessary attention as their federal support is being stripped from them.

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Introduction:

Agriculture has always been of the utmost interest to me. I grew up in rural Delaware, later moving to Texas; thus, through my entire upbringing, I have been surrounded by farms. From an early age, it was instilled in me that farming was the single most important and respected job one could obtain. As my time in the University of Oregon's Environmental Studies major progressed, we continuously began to explore the threats facing sustainable agriculture and small farms. Promoting sustainable small-scale agriculture is an integral part of solving the climate crisis, which is becoming increasingly difficult as federal and financial pressures strengthen. As an Environmental Studies major, with minors in Legal Studies and Food Studies, I became increasingly intrigued in the intersectionality of the prolonged longevity of local food systems centered around small farms and changing federal legislation (specifically the 2018 Farm Bill), which draws me to this study.

Further, I am interested in the personal effects felt by small farmers from the federal funding freeze enacted by President Trump in January of 2025. Now, more than ever, we can see the true reliance of farms on federal funding, as well as the many benefits federal funding provides. This study has become increasingly more relevant to current events and transformed into a study on the effects of the current administration's agenda on small farms. In this study, I provide a thorough review of the Agriculture Improvements Act of 2018 (also known as the 2018 Farm Bill), interviews from two individuals highly involved in the small farming community and show the impact of changing legislation on small farmers' success.

The current organic movement is rapidly accelerating through American households. Individuals are seeking out fresh, organic, local food. Americans are beginning to rediscover the beauty of knowing the name of the farmer who grows their produce. This trend and the influx of

participation in local food systems are only possible with the work of small farmers. Small farmers are essential to the health and wellness of local communities. Additionally, our food supply is extremely limited in Eugene, Oregon, and if the community encountered a natural disaster effectively shutting off the town from importing food, we would only have enough food to supply our community for three days. Local small farmers are essential if we are to build resiliency.

Small farms are the backbone of America and the primary providers of local food. As of 2021, 89 percent of all farms in the United States were small family farms. Small family farms produce 18 percent of the total value of production in the U.S. despite working 45 percent of the country's agricultural land (*FSA-FarmBill2018_WhatsNew-19. Pdf*, n.d.) In most citizens' minds, small family farms are a relic of the American Dream, and a sustainable income can be earned through arduous work. However, this mindset disregards the current issues that plague the local farming industry. The suicide rate of small farmers is rapidly increasing as these farms fall into harrowing cycles of debt. Farm bankruptcies vary throughout the country, with a 12 percent increase in Chapter 12 farm bankruptcies in the Midwest and up 50 percent in the Northwest (2018-2019 growing season) (Wisc, 2019). America has lost 100,000 farms from 2011 to 2018, and 12,000 just from 2017 to 2018 (Wisc, 2019). Small farmers are struggling to pay off loans, with debts rising for decades. Farmers collectively hold debt of 416 billion dollars as of 2019 (Wisc, 2019). Farmers face various struggles that require increasing funds and declining profits. Climate change is causing unpredictable weather that alters the growing season, harsh temperatures are scorching crops, globalization has caused plummeting commodity prices, expensive technological advances push out small farmers, and political polarization has led to the stagnation of agriculture legislation. (Wisc, 2019).

Additionally, the average age of a farmer in America is 58.1 years old. (*Reviewing the February 2024 Baseline for USDA Farm and Nutrition Programs | The United States Senate Committee On Agriculture, Nutrition & Forestry, 2024*). Farming is a dying profession, with fewer and fewer young people taking up the profession. (*Reviewing the February 2024 Baseline for USDA Farm and Nutrition Programs | The United States Senate Committee On Agriculture, Nutrition & Forestry, 2024*). Establishing a new farm is extremely costly and lengthy, making it even more unattractive to young individuals wishing to pursue farming as a career. Soon enough, the small farming profession could become desolate, as more young individuals chose to pursue other careers due to financial constraints. It is of utmost importance to highlight how federal regulation can better support small farmers to revitalize the industry. Additionally, depicting the most harmful impacts of the federal funding freeze can help us to better serve farmers by understanding their needs. This research serves as a synopsis of governmental issues most detrimental to farmers, in hopes that further research can create solutions that ultimately lead to the revitalization of the industry.

Methods

My research was a two-fold process; the first step was a literature review, and the second step was an ethnographic data collection. Analyzing the 2018 Farm Bill was the primary component of my literature review. There are several sections of the bill that I researched to gather legal knowledge of regulations that exist for small farmers. I examined Title I: Commodities, Title III: Trade, Title V: Credit, Title XI: Crop Insurance, and Titles III, X, and XI: Organic Agriculture. In researching these sections, I wanted to understand what regulations are put on farming companies, federal grants available to farmers, and government assistance programs. I utilized the legal text (found in the Library of Congress), along with the Congressional Research Service's report on the Expiration of the 2018 Farm Bill and Extension in 2025, the U. S. Department of Agriculture Farm Service Agency's "What's New: FSA and the 2018 Farm Bill" brochure, and the U. S. Senate Committee on Agriculture, Nutrition, & Forestry's "Reviewing the February 2024 Baseline for USDA Farm and Nutrition Programs," to make the laws more digestible. Several articles and videos were accessed from Rural Advancement Foundation International-USA, National Sustainable Agriculture Coalition, and Oregon Climate & Agriculture Network, as they are directed for consumption by farmers, and thus highlighted imperative legislative changes. I utilized these documents to depict current regulations and give insight into the impact on small farmers.

Next, I conducted an interview portion of my research, which required IRB approval. This case study focused specifically on Oregon's Southern Willamette Valley. The specific area was chosen due to the proximity of the site, pre-existing connections with the local farming community, and scope of the project. Similar concerns and findings can be attributed to the entire Willamette Valley and Oregon's farming community as a whole. I initially had planned to

conduct a series of interviews with local farmers to investigate how federal regulation had influenced vital aspects of their operations, specifically concerning packaging, harvesting methods, food processing, and any other practices. The initial questions I had planned to ask are outlined in The Appendix.

However, right before I began the process of IRB approval, the federal funding freeze of 2025 significantly altered the landscape of agricultural support programs and grants. This major event prompted a shift in the focus of my research towards understanding the immediate and tangible effects of the funding pause on small-scale agriculture in the Southern Willamette Valley. My revised version of the interview portion consisted of two semi-structured key interviews with individuals who are closely engaged with Oregon's small agriculture sector. I originally had reached out to several farmers in the region, through the Lane County Locally Grown Guide. Schuler was the only farmer to respond with capacity for an interview, which speaks lengths to the rigorous workload of small farmers. Thus, my Primary Thesis Advisor, Harper Keeler, connected me with ORCAN, a nonprofit that works closely with small farmers regarding policy implications. Questions were tailored to each interview to best encompass the unique experience of everyone in relation to the agricultural industry. Also, while interviews had structured questions, I allowed the conversation to naturally flow and follow any tangents.

First, I talked to Southern Willamette Valley Farmer, Shelley Schuler from Moondog's Farm. I interviewed the farmer by asking them about their current farm operations and what federal regulations have significantly impacted their processes (such as what grants have been most integral to their success, how harvesting methods have had to adapt to new regulations, and how the federal funding freeze has impacted them and others). The interview was conducted in a thirty-minute phone call. The questions I asked Schuler are listed in The Appendix.

Finally, I interviewed Sophie Els of Oregon Climate and Agriculture Network (ORCAN). ORCAN actively works to promote small farmers' success through lobbying, education, and program assistance. I inquired about the main legislative restrictions they have seen and the impact of the federal funding freeze. I utilized this to document the current struggles small farmers face and the difficulty they have in persevering without external support. This part of my research mainly focused on gathering examples of harm and reflecting specifically on what legislation has incurred this harm. The interview was conducted on a thirty-minute Zoom call and interview questions can be found in The Appendix.

After interviewing Els and Schuler, I supplemented their interviews with research on current regulations, loans, and programs that had been highlighted in the interviews but not properly discussed in the literature review. Further information on these existing policies, financing, and initiatives is provided as context for the reader.

Research Questions

My initial research questions consisted of the following:

1. In what ways has the 2018 Farm Bill affected small farmers' chances of success?
 - a. What federal regulations hurt small farmers?
 - b. What federal regulations help support small farmers?
2. How have federal regulations specifically impacted small farmers in the Southern Willamette Valley (around Eugene)?
 - a. How are local initiatives helping to combat this?

My revised research questions consisted of the following:

3. How has the Agriculture Improvements Act of 2018 (2018 Farm Bill) supported/uplifted small farms?
 - a. How have its regulations been detrimental to the success of small farms?
4. What will be integral in the creation of the upcoming Farm Bill?
5. How has the 2025 federal funding freeze negatively impacted small farms?

Section 1: The Agriculture Improvement Act of 2018

Overview of the Farm Bill

A background on this legislation is necessary to understand the federal agricultural policy's implications. The Farm Bill is a comprehensive piece of legislation encompassing a large portion of policies regarding agriculture. It is the largest piece of legislation regarding agriculture in the United States. These policies span topics such as support for SNAP (Supplemental Nutrition Assistance Program), the Farm Service Agency's Loan Programs, rural infrastructure development, the National Organic Program, crop insurance, and Conservation Reserve Programs. However, the topics of the Farm Bill are subject to change and thus can morph to meet the changing needs of American producers. The bill contains policies that have permanent mandatory funding baselines, such as SNAP, and policies that rely on bill-to-bill funding, such as the Conservation Reserve Program. The Farm Bill was originally focused solely on subsidies, but with the addition of nutrition in the 1970s, both the scope and budget of the Farm Bill have significantly increased (Rep. Conaway, 2018). This legislation has been created and passed by Congress roughly every five years since the 1930s (Rep. Conaway, 2018). Each Farm Bill has a unique title to distinguish between and highlight the policy changes of each rendition. The most recent Farm Bills were passed in 2018, 2014, 2008, 2002, and 1996. In 2018, the Agriculture Improvements Act (H.R. 2- 11th Congress) was created, the 2018 version of the Farm Bill, with a projected 10-year cost of \$867 billion over FY2019-FY2028. The 2018 Farm Bill budget marked it as the second-largest budget item after defense (Rep. Conaway, 2018). Nutrition, farm commodities, conservation, and crop insurance contribute to 99% of the mandatory spending (Rep. Conaway, 2018). The 2018 Agriculture Improvements Act was originally set to expire in September of 2023 but was extended by Congress until September

2024, and further into September 2025 (RAFI (Rural Advancement Foundation International), 2022). The Farm Bill is about to expire, which would be detrimental to small farmers.

Crash Course on the Agriculture Improvement Act of 2018

As the Farm Bill is a comprehensive piece of legislation, it has twelve titles, each of which governs a unique sector of agriculture. Due to the scope of this research, this paper will only focus on the titles and sections most applicable to the topic of restrictions put on small farmers. The titles (or chapters) of the Agriculture Improvement Act of 2018 are the following:

6. Title I: Commodities
7. Title II: Conservation
8. Title III: Trade
9. Title IV: Nutrition
10. Title V: Credit
11. Title VI: Rural Development
12. Title VII: Research, Extension, and Related Matters
13. Title VIII: Forestry
14. Title IX: Energy
15. Title X: Horticulture
16. Title XI: Crop Insurance
17. Title XII: Miscellaneous

For the scope of this project, I will be focusing on Title I: Commodities, Title III: Trade, Title V: Credit, Title XI: Crop Insurance, and Titles III, X, and XI: Organic Agriculture.

However, I will touch on other Titles relevant to my interviews in the interview section of my project.

Title I: Commodities

Title 1 contains all legislation related to commodities, most importantly including subsidy payments. Commodities are agricultural yields that can be produced and sold. (USDA) Subsidies are payments distributed by the government to, in this case, farmers that allow prices of commodities to remain low while providing farmers with the necessary compensation for production. (*Farm & Commodity Policy - Title I: Crop Commodity Program Provisions* | *Economic Research Service*, n.d.)

Subtitle A provides regulations on Commodity Policy. Section 1106 of Title 1 discusses the Price Loss Coverage (PLC) program. Section 1107 of Title 1 discusses the Agriculture Risk Coverage (ARC) program. These programs are financial assistance programs for United States farmers. The ARC serves farmers whose farm revenue is lower than a guaranteed price derived from precedent data and market conditions by providing them with financial payments to supplement a decent salary. The ARC has two programs, the County Agriculture Risk Coverage (ARC-CO) and the Individual Agriculture Risk Coverage (ARC-IC) ARC-CO uses previous years data on county yield to establish a benchmark for county revenue; when the actual county crop revenue falls below the ARC-CO guarantee, payments are issued to individual farms based on whether they fall into county lines. ARC-IC issues payments to farmers when the actual individual crop revenue is less than the individual guarantees (*FSA-FarmBill2018_WhatsNew-19.Pdf*, n.d.). The PLC serves as a way for farmers who have grown covered commodity crops that have fallen below the set effective reference price to receive financial compensation. As these programs dominate the funding and regulation for the commodity title, many changes have been pursued in this most recent legislation. (*Farm & Commodity Policy - Title I: Crop Commodity Program Provisions* | *Economic Research Service*, n.d.)

Under Title 1, Section 1103, farmers now have the single opportunity to update yields; this is typically available with each new farm bill, the last being four years previously with the Agriculture Reform, Food, and Jobs Act of 2013 (*2018 Farm Bill - Crop Commodity Programs | Economic Research Service*, n.d.). This allows farmers to get more accurate payouts under the Price Loss Coverage programs. Owners of farms can update their yields on a covered-commodity-by-covered-commodity basis, with a trend-adjusted yield from the Secretary of Agriculture. Farmers have the choice to enroll each commodity in either the PLC or ARC, compared to the 2014 Farm Bill’s mandate that each farm may only be enrolled in one program. (*2018 Farm Bill Primer*, n.d.). Additionally, the annual maximum payout limit remained the same as the 2014 mandate, \$125,000 (*2018 Farm Bill Primer*, n.d.). Under the ARC, farmers who have experienced severe drought between 2008-2014 can update their yields from previous years to obtain greater financial compensation (*2018 Farm Bill Agricultural Commodity Support Programs*, 2022). Although farmers now have increased autonomy in updating acreage and choosing programs, the constant annual payout limit brings into question the real benefit that the changed regulation will provide.

Title 1, Section 1111 raises and provides a new definition for an effective reference price. The effective reference price is the pre-determined price at which a farmer should be able to sell their yield. If the number falls below this price, then payments by the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs will be triggered. This was a fundamental change to the 2018 rendition of the law, as it became necessary to match farmer payments to their increasingly expensive inputs. The effective reference price is now equal to the lesser of

“(A) An amount equal to 115 percent of the reference price for such covered commodity. “(B) An amount equal to the greater of— “(i) the reference price for

such covered commodity; or “(ii) 85 percent of the average of the marketing year average price of the covered commodity for the most recent five crop years, excluding each of the crop years with the highest and lowest marketing year average price.”. (SEC 1111)

These new price points are set to reflect and adjust to current trends in prices and inflation. Subtitle B provides revised regulations on Marketing Loans. Marketing Assistance Loans allow farmers to set aside commodities at harvest time when market prices are insufficient in harvest facilities to be sold intermittently in the coming year. These loans provide the cash flow needed at the time of harvest to ensure farm stability. In the case that crops are pledged as collateral, categorizing this as a Non-Recourse Marketing Assistance Loan, a much smaller settlement is due if pledged collateral is turned over to the Commodity Credit Corporation. In the case of low-quality crops according to U.S. grading standards, this qualifies as a Recourse Marketing Assistance Loan, and thus, loans must be repaid with an interest rate. (*Commodity Loans | Farm Service Agency*, n.d.). Section 1202 set new loan rates for crops (wheat, corn, grain sorghum, barley, and oats) that significantly increased from 2014 rates. This is a major contributor to small farm debt, as the increased borrowing costs contribute to the dilemma of small farms’ rising debt and increase the difficulty of liquidation. (*Farm Businesses Well-Positioned Financially Despite High Interest Rates | Economic Research Service*, n.d.).

Title III: Trade

Title III focuses on advancing all aspects of trade, ranging from food aid programs to agricultural trade promotion programs. Given the vast breadth of initiatives under this title, this section will focus on the Agricultural Trade Promotion and Facilitation Program and the Biotechnology and Agricultural Trade Program. These programs were either new or revived programs implemented by the Agriculture Improvements Act of 2018. (*2018 Farm Bill - Trade | Economic Research Service*, n.d.)

The Agricultural Trade Promotion and Facilitation Program (ATPFP) is a new program instituted by the Agriculture Improvements Act of 2018. This program consolidated the four pre-existing market development and export promotion programs (Market Access Program, E. Kika D La Garza Emerging Markets Program, Market Development Cooperator Program, and Technical Assistance for Specialty Crops), streamlining and unifying them under the Priority Trade Fund. By consolidating these four programs, ATPFP aims to reduce redundancy, improve efficacy, and strengthen the impact of trade promotion initiatives. The Secretary of Agriculture was granted an additional \$3.5 million annually to distribute to trade program initiatives when applications exceed available funding for the ATPFP's programs. Through the additional funding available, a broader range of trade-related projects will have the capacity to function, thus providing producers with greater access to funding to expand export markets. ATPFP will enable increased economic opportunities and market sales for American farmers globally. (2018 Farm Bill - Trade | Economic Research Service, n.d.)

Alternatively, the Biotechnology and Agricultural Trade Program removed nontariff and other trade barriers that hinder the exportation of bioengineered or other technologically advanced U.S. agricultural products. The program was originally launched in 1990 under the Food Agriculture and Conservation Act of 1990, ceased operations in 2007, but was reinstated by the 2018 Farm Bill due to the growing presence of biotechnology in agriculture. This program aims to ease the exporting process for American farmers, reduce financial burdens, and promote the adoption of technologies in agriculture to maximize yields and productivity. By eliminating several barriers to trade for biotech products, the U.S.'s presence in the global market is strengthened. (2018 Farm Bill - Trade | Economic Research Service, n.d.)

Both the ATPFP and Biotechnology and Agricultural Trade Program promote international presence of U.S. agriculture by streamlining trade promotion initiatives and removing barriers. Through this, it is hopeful that small farmers will receive support for innovation, expanded global market access, and increased viability. Title III reflects the 2018 Farm Bill's aim to equip farmers with the ability to succeed in the increasingly competitive market.

Title V: Credit

The Agriculture Improvement Act of 2018 focuses on providing greater support to beginner, socially disadvantaged, and veteran farmers through changes to regulations surrounding loans. All loans are distributed through the Farm Service Agency, which resides under the U.S. Department of Agriculture. Many maximum loan sizes were drastically increased under the 2018 Farm Bill. Farm Ownership Loans, which provide financial support to farmers and ranchers looking to purchase, further develop, or extend family farms, acquired a new maximum loan value of \$600,000 for direct loans, and \$1.75 million for guaranteed loans, from \$300,00 and \$700,000, respectively. The maximum loan in operating loans increased \$300,000 to \$400,000, which is substantial due to the essential gateway that these loans provide to beginning farmers to finance day-to-day operations. (*2018 Farm Bill - Credit | Economic Research Service*, n.d.)

Title V also works on making loans more accessible to all farmers. The loan guarantee for socially disadvantaged and beginning farmers was raised from 90 to 95 percent under Section 5306. Through this, loans will be available to far more farmers from marginalized communities and younger demographics. The purpose of this was to ensure there is a strong foundation for farming in the future, by expanding the communities involved in it. Ensuring that we have

individuals to farm in the future is integral to the health of the industry. Additionally, those who have worked in some capacity on a farm or ranch for three years or more can have the eligibility requirements for Farm Ownership Loans waived by the Secretary of Agriculture. Through this, individuals who already have technical experience have more ease starting their farms, promoting increased retention in farming. State Agricultural Loan Mediation Programs were reauthorized and have expanded to include organic compliance, family farm transitions, lease problems, farmer-neighbor disputes, and credit counseling. This allows loans to be available for a much wider scope, to increase the ease of farm operations. An additional \$5 million annually was allocated to the Secretary of Agriculture for direct operating microloans. Microloans are loans of \$50,000 or less and have much broader application requirements. Section 5305 provides equitable relief to those mistakenly qualified for farm loan programs. If they are found to have acted in good faith, they may still receive the loan and associated benefits. (*2018 Farm Bill - Credit* | *Economic Research Service*, n.d.)

Loan programs were broadly expanded in the Agriculture Improvements Act of 2018. As loan maximums increase, and historically non-involved parties are prioritized, a foundation for a strong future of farmers is being ensured. The USDA is not only setting up current farmers for success but ensuring that beginner and socially disadvantaged farmers have the means to also gain a meaningful business operation out of this.

Title XI: Crop Insurance

The Federal Crop Insurance Program (FCIP) was permanently authorized under the Agricultural Adjustment Act of 1938 and the Federal Crop Insurance Act of 1980. The Agriculture Improvement Act of 2018 amends several provisions of the legislation to ensure

producers are properly protected against loss in yield, crop revenue, margin, and whole farm revenue. *(2018 Farm Bill - Crop Insurance | Economic Research Service, n.d.)*

FCIP differs from ARC and PLC as it requires farmers to opt in by purchasing an insurance plan. ARC and PLC beneficiaries do not need to pay premiums to receive payouts; they simply enroll. Payouts for FCIP coverage occur when a loss due to yield reduction or revenue decline is incurred. This differs from ARC payouts occurring when a farmer's actual revenue is below a county/individual revenue benchmark, and PLC payments occurring when the market price of a crop is below a fixed reference price. FCIP allows different coverage levels, while ARC/PLC provides one standard formula for all participants. *(2018 Farm Bill - Crop Insurance | Economic Research Service, n.d.)*

The 2018 Farm Bill expands crops that are covered under FCIP to include industrial hemp, citrus crops, hops, irrigated grain sorghum, and irrigated rice production. Additionally, cover crops are provided with more government support. Previously, cover crops had jeopardized the insurability of subsequent crops. If terminated within federal guidelines, subsequent crops planted are protected in insurability. Additionally, as the definition of "beginning farmer or rancher" was updated, newly eligible individuals can receive up to 10 additional percentage points of premium subsidy on their Whole Farm Revenue Policies. *(2018 Farm Bill - Crop Insurance | Economic Research Service, n.d.)*

Catastrophic coverage (CAT) policies had a significant increase, from \$300 per crop per county to \$655 per crop per county. CAT plans are significant as they are the basic level of protection. Under this level of protection, farmers only receive a 55 percent payout on the established price of a commodity when a farm experiences a yield loss greater than 50 percent. Additionally, compensation is only provided when crop yields are 0 percent to 50 percent of

average farm yields or 0 percent to 65 percent of county yields. This was done to minimize the gap between CAT coverage and higher coverage levels. In doing so, legislators aimed to decrease producers’ use of CAT coverage on riskier acreages in favor of additional coverage and decrease CAT coverage plans bought overall. (*2018 Farm Bill - Crop Insurance | Economic Research Service*, n.d.)

Figure 1: Increases in Administrative Fees for CAT Policies

Table 1: Increases in administrative fees for catastrophic coverage (CAT) policies

Period	Administrative fee for CAT coverage (Dollars)	Average share of acres insured under CAT coverage (Percent)	Average share of policies sold covered by CAT (Percent)	Average share of CAT policies paying indemnities (Percent)
1995-1997	50	43.5	45.7	5.7
1998-2000	60	28.1	27.6	5.7
2001-07	100	14.4	13.9	4.9
2008-17	300	6.4	6.8	4.4
2018-on	655	--	--	--

Source: USDA, Economic Research Service using data from USDA, Risk Management Agency, Summary of Business.

Note. The Economic Research Service created this table to exemplify the stark difference in CAT policy. From the *2018 Farm Bill—Crop Insurance | Economic Research Service*. (n.d.). Retrieved May 8, 2025, from <https://www.ers.usda.gov/topics/farm-bill/2018-farm-bill/crop-insurance>

Title III, Title X, and Title XI: Organic Agriculture

Organic Agriculture, while an integral part of the agriculture industry, does not garner its title in the 2018 Farm Bill. Rather, Organic Agriculture is managed by provisions under almost every title. The 2018 Farm Bill aimed to increase consumer confidence in the “USDA Organic”

label. The “USDA Organic” label has been used as a trusted label by consumers as a symbol for high-quality crops. The Organic Foods Production Act of 1990 established national organic standards to promote this sense of security in agriculture. The 2018 Farm Bill allocated more funding to USDA regulatory programs to ensure organic certification is accessible, enforced, and trusted. *(2018 Farm Bill - Organic Agriculture | Economic Research Service, n.d.)*

Title III is centered around incentivizing organic transition and production. Under Title III, organic commodities are assured inclusion in the Market Access Program. Through expanding market access for organic exports, the encouragement of organic development, maintenance, and exportation aims to enrich the organic market. Additionally, the transition to organic farming was added to the Environmental Quality Incentives Program (EQIP) in 2008. EQIP provides compensation to farmers looking to transition to organic methods. The Organic EQIP Initiative was created to provide technical and financial assistance to farmers transitioning to organic farming to ease the burden of education on new farming methods. There has been slow usage of the Organic EQIP enrollment, as a three-year growing period is required before enrollment. Thus, to combat this, the 2018 Farm Bill expanded the payment cap for the Organic EQIP Initiative. Additionally, it added new conservation provisions to further support organic producers. *(2018 Farm Bill - Organic Agriculture | Economic Research Service, n.d.)*

An integral part of the 2018 Farm Bill is the decrease in funding for the National Organic Certification Cost-Share Program through Title X. This funding is available to assist organic producers and handlers with the costs of organic certifications for their crops. The price to receive an organic certification is often too costly and deters small farmers from obtaining one, despite their following the growing practices. *(2018 Farm Bill - Organic Agriculture | Economic Research Service, n.d.)*

Title XI focuses on improving crop insurance for Organic Crops. The 2014 Farm Bill expanded the USDA's organic price elections for farmers insuring organic crops. The 2018 Farm Bill created education requirements for crop insurance agents and loss adjusters to ensure they have proper knowledge of organic and production systems.

Section 2: Interviews

I conducted two interviews in my research process, as noted above in my methods section. The first interview was with Sophie Els, Policy Associate for ORCAN. The second interview was with Shelley Schuler of Moondog's Farm. Interviews are presented not in chronological order, but rather in a way to provide proper context to the reader. Thus, Els is presented first to provide a comprehensive understanding of the policy implications of the federal funding freeze of 2025. Schuler is presented second to append the thesis with a farmer's perspective.

Interview with Sophie Els, Policy Associate for Oregon Climate & Agriculture Network

Sophie Els is a policy associate for the Oregon Climate & Agriculture Network (ORCAN). Els is the lead under the Executive Director, Megan Kemple, for all things policy. She is currently in a full Oregon legislative session. Els' work includes advocating for small farmers in legislative sessions, meeting with legislators, lobbying for funding for ORCAN, providing testimonies to the Oregon Congress, and coordinating a policy agenda. Much of Els's work revolves around meeting with farmers, understanding their needs, and educating them on legislative changes. I met with Els on April 16th, 2025, on a Zoom call.

Els spoke widely about the impacts of the federal funding freeze on Oregon farmers. She noted that although the federal funding freeze was ordered by the Office of Management and Budget on January 27th, 2025, to begin the following day, much uncertainty remained. Els was first alerted about the potential effects of the funding freeze on farmers at the National Sustainable Agriculture Coalition's (NSAC's) 2025 Winter Meeting, not from farmers. At first, it seemed that only cuts to funding were possible, however, the freeze included stopping funding altogether. Els emphasized just how imperative these grants are to farmers' resiliency. Pausing

grants has a serious detrimental impact on farmers, as farmers often have little excess funding. Farmers often rely on federal grants to supplement the low margins they experience; if grants are taken away, farmers go into debt. Additionally, the federal funding freeze comes at the most unfortunate time, as February and March are the start of the growing season. Many farmers have their greatest expenditures during these months to prepare for the growing season. Additionally, as most farmers receive grants that are processed on a reimbursement method, farmers have already taken out loans or spent savings on projects with the anticipation of getting that money back. However, with the freeze, these farmers are left with large debts as these funds remain unfilled.

NSAC released an article on the effects on farmers of the federal funding freeze stemming from President Trump's Unleashing American Energy Executive Order on January 20th, 2025. The USDA has withheld billions of dollars from grant recipients, specifically related to agriculture conservation and resiliency, rural clean energy initiatives, and investment in local food systems. Four major programs impacted are the Local Food Purchase Assistance (LFPA), Local Foods for School and Child Care Settings (LFSCC), Inflation Reduction Act (IRA)-funded Rural Energy for America Program (REAP), and Partnerships for Climate-Smart Commodities (PCSC). These programs collectively have been affected by a loss of \$4.7 billion through frozen federal investments. (Schewe, 2025)

Local Food Purchase Assistance (LFPA) and Local Foods for School and Child Care Settings (LFSCC) have been frozen for FY 2025 and have lost \$1.2 billion, which is an astonishing loss to local food systems. These programs are classified as "multipliers", which essentially means that every dollar invested in these programs creates additional economic activity. This loss of economic activity, prompted by federal funds freezing has cascaded into an

estimated loss of \$1.8 billion of additional economic activity. All LFPA and LFS contracts were terminated on March 10, 2025. Thus, the \$1.8 billion that is utilized to purchase food directly from producers and distribute it to food banks, pantries, and schools was gone. This not only significantly decreased access to local food for those food insecure and weakened local food systems, but it also left a massive hole in the market that farmers rely on for sales each year. Thus, since many farmers are losing a target consumer, they suffer from uncertainty in sales and potentially great losses. Farmers must now account for potential future losses and thus delay development initiatives. (Schewe, 2025)

Rural Energy for America Program (REAP) funds are facing great uncertainty in this current era. These funds are aiming to help farmers lower energy costs, support a transition to clean energy, and bolster rural economic development. They include upgrading equipment to become more energy efficient, solar panel installation, and enhancing building insulation. REAP funds were effectively frozen on January 20th, 2025, as funding was acquired through the Inflation Reduction Act (IRA). This has amounted to \$911 million in obligated funds being withheld from recipients. These funds work on a reimbursement system, meaning that many individuals have already invested \$10,000 into these rural energy initiatives, and now face uncertainty on whether they will receive their promised reimbursements. On March 26th, 2025, the USDA stated that any funds previously obligated through REAP would be released. However, the Trump administration is encouraging thirty days for recipients to review and voluntarily revise their projects to align with the Trump administration's agenda. Els has stated that often these revisions encourage a total cancellation of the contract by the recipient, thus receiving no compensation. (Schewe, 2025)

Partnerships for Climate-Smart Commodities (PCSC) are essential to promoting on-farm conservation practices and creating a sustainability market for produced commodities. This program utilizes public-private partnerships to promote the reduction of greenhouse gas emissions and the sequestration of carbon for over 14,000 farms and more than 3.2 million acres. President Trump froze all PCSC funds when he took office in January 2025. These funds have remained frozen despite court mandates to reinstate federal funding. Secretary of Agriculture Rollins has reinstated the PCSC program as the Advancing Market for Producers (AMP) initiative. Under this new initiative, 65% of funds must go directly to producers, which significantly limits the funding and capacity for technical assistance and market support programs. (Schewe, 2025)

Figure 2: The Impact of Frozen or Cancelled Funds on Agriculture Projects

	Description	National Funding Impact
Local Food Purchase Assistance (LFPA)	Cancelled for FY2025	\$500,000,000
LFPA Multiplied Economic Impact	Economic impact estimated using the Local Food Impact Calculator	\$719,760,000
Local Foods for Schools (LFS)	Cancelled for FY2025	\$700,000,000
LFS Multiplied Economic Impact	Economic impact estimated using the Local Food Impact Calculator	\$1,140,000,000
Rural Energy for America Program (REAP)	Remaining obligations for IRA-funded grants*	\$911,510,973
Partnerships for Climate-Smart Commodities (PCSC)	Remaining obligations*	\$2,662,997,025
Total frozen or cancelled funds		\$4,774,507,998

* remaining obligations calculated using data from [USASpending.gov](https://www.usaspending.gov), accessed on 3/20/2025

**economic impact estimated using the [Local Food Impact Calculator](#)

Note. This image was created by the National Sustainable Agriculture Coalition to reflect the true impact of funding cuts to agriculture programs on local economies. From Schewe, R. (2025, April 30). USDA Programs Freeze: What We Know. National Sustainable Agriculture Coalition. <https://sustainableagriculture.net/blog/usda-programs-freeze-what-we-know/>.

According to the National Sustainable Agriculture Convention's Frozen Funds Map, Oregon has suffered \$156,785,522 in total frozen or cancelled funds. Out of the plethora of frozen funds, the most applicable to my research includes \$20,808,000 in REAP IRA obligations remaining unfilled, \$97,893,814 in PCSC grants remain unfilled, \$4,708,863 in LFFPA funds were cancelled, and \$1,853,006 in LFPA tribal funds were cancelled. (*Frozen or Cancelled Funds*, n.d.) Els detailed several cases of the impacts of the federal funding freeze on Oregon farmers, though identities must remain anonymous. At least one-third of farmers in Oregon lost money from REAP grants, which mostly consisted of solar panel installations. A farmer in Oregon had received a REAP grant for \$10,000 to install a new solar system for powering irrigation on their farm. Before the federal funding froze, they had purchased and installed a new solar panel system on their farm. Their reimbursement had not yet been processed before the freeze, and thus, once the grant was paused, they were unable to obtain their invested money back. This led the farmers, with \$10,000 in debt, to go into the growing season, leaving them with no financial wiggle room in case of incidents or broken equipment. Similarly, another farmer received a \$55,000 REAP grant for a complete transition to solar panels. The farm subsequently took out a \$20,000 loan to complete the \$55,000 expenditure before reimbursement. The farmers' contract remained stalled, which led to the farmers having to give up the project. The farmer cannot be reimbursed and remains in debt on the \$20,000 loan. According to Els, a lot of farmers are giving up on their grants due to uncertainty, lengthy waiting periods, or pressure to align with the current administration's agenda. This is leading to mass debt and project delays for many farmers, specifically small farmers who rely on these

grants. Els stated that the biggest long-term damage from the federal funding freeze is that the government is destroying the trust of farmers in government programs. Farmers had a tumultuous past with the government, and trust has been incredibly hard to establish between the two. With the sudden pause in funding and fulfilling contractual obligations, the government is simply eroding trust that will be difficult to rebuild.

Additionally, many contracts are simply being terminated for Farm Bill-related programs. USAID, which helps farmers sell crops to benefit foreign aid, left contracts VOID, depleting a large portion of buyers for many farmers' markets. Natural Resources Conservation Service (NRCS) programs' contracts were also terminated, such as the Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP). EQIP works one-on-one with producers to create conservation plans that solve resource issues on-site. This includes providing financial assistance and planning efforts for decreasing contamination, utilizing nutrients effectively, reducing input costs, reducing nonpoint source pollution, improving soil health, and implementing carbon sequestration practices. (*Environmental Quality Incentives Program | Natural Resources Conservation Service, 2025*) CSP pays farmers to implement higher stewardship levels and new conservation practices on farms. They offer annual payments to maintain steward acres and operate conservation practices. (*Conservation Stewardship Program | Natural Resources Conservation Service, 2025*)

However, many of these unfulfilled and terminated contracts are currently being challenged in court as an unlawful abuse of presidential power. On April 15th, 2025, a federal judge ruled that all Inflation Reduction Act (2022) and Infrastructure Investment and Jobs Act (2021) grants nationwide be restored. This includes immediate steps to resume processing, disbursement, and payment of already-awarded funds. This ruling results from a lawsuit brought

against the Trump Administration by six conservation and community groups. In the U.S. District Court for the District of Rhode Island, Judge Mary McElroy declared that while the president is still entitled to enact his agenda, agencies do not have unlimited authority to do so and cannot simply disregard statutes passed by Congress under the previous administration. McElroy reiterates that nonprofits and individuals do not have a contract that the government can simply terminate; rather, they receive funding from laws passed by Congress, providing insurance in their funding. This is imperative news for many farmers who have recently lost grants and funding from the government. This ensures that climate-related programs, such as the Conservation Reserve Program, will resume funding and properly fulfill contracts with farmers. (Guillén, 2025)

Additionally, the U.S. District Judge Tanya S. Chutkan of D.C. issued a preliminary injunction on April 15th, 2025, that prohibited the EPA from the unlawful termination or suspension of Congress-appropriated climate grant awards. Three major grant recipients- Climate United, Coalition for Green Capital, and Power Forward Communities- sued the EPA and Citibank for the blocked access to funds. Lee Zeldin, Trump's EPA administrator, attempted to freeze the \$20 billion allocated to climate grants. Citibank is tasked with the disbursement of funds to recipients, and thus, operations froze to stop disbursement. Citibank was issued a temporary restraining order that prevented the EPA from repossessing the funds from Citibank. Climate United received \$7 billion, which is to be invested in solar panel installation, electric vehicle investments, and energy-efficient housing. Coalition for Green Capital received \$5 billion to continue a national network of state and local green banks. Power Forward Communities won \$2 billion, which aids households with help to buy electric appliances. (Joselow, 2025) However, as we see progress made in court cases, we do not see the benefits

becoming tangible. Farmers are still waiting for their promised grant reimbursements with no idea of when or if they will receive payments.

Els also discussed the issue of a new Farm Bill. Els explained that a new Farm Bill is of utmost necessity and that the uncertainty surrounding the creation of a new Farm Bill is the most difficult part. Although the Agriculture Improvements Act of 2018 is extended through September 30, 2025, it is not enough. The current bill does not account for inflation rates of today, instead, it is adjusted for 2017-level rates, leaving many grants critically underfunded and outdated. Els projects that many LFPP grants and SNAP funding will be the hardest hit in the new Farm Bill. These programs are integral to maintaining local food systems and supporting small farmers, which is discussed earlier in this paper.

Els places a large emphasis on the necessity of federal funding. Federal grants offer higher amounts of money, which can fund larger projects and operations. However, Els does not diminish the impact of state funding on small farmers. Els explains that often state funding is more precise, more specific to Oregon farmers' needs, and more oriented towards supporting small farmers. State policy is often more immediate and case specific. Specifically, the Oregon Community Food System Network (OCFSN) has provided farmers with targeted grants to promote resiliency and local food systems. OCFSN is a 501(c)(3) organization consisting of a collaboration of nonprofit organizations and allies that run through state funding. In 2023, the Oregon Legislature approved \$2.65 million to OCFSN for Farmer & Rancher Disaster Resilience Grants. This funding is unique in that it targets funding to small farmers with a grant of up to \$20,000. Small Willamette Valley farmers received 39 of these grants in 2024, and \$1.6 million has already been awarded. The grant allows farmers to upgrade equipment on farms to become more climate resilient and be better prepared for fires and droughts. Projects include irrigation

and water efficiency, shading and cooling, soil health management, equipment funds, ecosystem management, and monitoring. The goal of the grant is to retrofit farms to withstand natural disasters, thus, there is no need to constantly rebuild, so in the long run, less money is spent overall. Els states that, as federal government state offices are chronically understaffed, these state programs become even more imperative to small farmers' success. (*Oregon Community Food Systems Network - MAIN*, n.d.)

Interview with Shelley Schuler, Co-Owner of Moondog's Farm

Shelley Schuler is the co-owner of Moondog's Farm and her husband, Dan Schuler. Schuler provided an integral part of this research, a farmer's perspective on government aid and the federal funding freeze. I met with Schuler on April 7th, 2025, on a phone call.

A major concern for her was the potential major funding cuts to SNAP from the current administration. Schuler explained that not only would this funding cut be critical to those who rely on SNAP benefits as their main source of food funding, but it will also negatively affect local growers. Many of these growers gain extra revenue from the Double Up Food Bucks program, as they stimulate business and essentially double the amount of produce they sell. Without this essential funding, farmers will receive less revenue from farmers markets, farm stands, and grocery store sales.

Title IV of the 2018 Farm Bill covers all items related to nutrition, most notably the Supplemental Nutrition Assistance Program (SNAP). SNAP has been otherwise known as the Food Stamps Program or Electronic Benefits Transfer (EBT). This title was allocated the greatest amount of funding in the Agriculture Improvements Act of 2018, with a projected budget of \$663.8 billion. (RAFI (Rural Advancement Foundation International), 2022)

SNAP was created in 1939 by the Secretary of Agriculture Henry Wallace as a Food Stamp Program (FSP) following the severe starvation of the Great Depression. Individuals could buy orange stamps to match their monthly food expenses; for each orange stamp purchased for \$1, they would receive a blue stamp worth 50 cents that could be used to buy surplus food. These stamps were redeemable at grocery stores, increasing individuals' monthly revenue and effectively starting the first food stamps program. Pilot programs persisted through 1964, when they cut the restrictions on solely using blue stamps for surplus foods. The Food Stamp Act was passed in 1964, which provided permanent funding for FSP. Major provisions of the act were that it required each plan to create a state for implementation, required recipients to buy their food stamps, established eligibility provisions, prohibited discrimination in distributing benefits, and set up increasing funding each year. The Hunger Prevention Act of 1988 allowed EBT to become available for FSP recipients. The 2008 Farm Bill (also known as the Food, Conservation, and Energy Act of 2008) changed the name of FSP to Supplemental Nutrition Assistance Program (SNAP), to fit the stigma surrounding the term food stamps and receiving benefits. (*A Short History of SNAP | Food and Nutrition Service*, n.d.)

During fiscal year 2023, SNAP served 42.2 million individuals on an average monthly basis, greatly alleviating poverty and food insecurity across the United States. There has been a five to ten percentage point decrease in food security throughout the program. Forty percent of SNAP enrollments are children, eighteen percent are elderly adults, and nine percent are adults with disabilities. This exemplifies how integral SNAP is to communities that either cannot work or have difficulties obtaining work. SNAP aims to serve households with the greatest need, thus, most funding (fifty-four percent) goes towards households in deep poverty (households with an annual income of 9,860 or below \$9,860). Through receiving SNAP benefits, households' gross

monthly income is raised by thirty-one percent, greatly alleviating the burdens of food expenses. Thirty percent of households raised above the poverty line through receiving benefits. SNAP benefits are determined by a household's gross income, and they receive a portion of the maximum benefits based on their income relative to deep poverty. The average monthly benefits received by households were \$297 in FY 2023. In FY 2023, there were 262,000 authorized SNAP retailers, ranging from convenience stores to farmers' markets. (*SNAP in Action Dashboard | Food and Nutrition Service, n.d.*)

A major component of the SNAP programs that benefit small farmers is the Double Up Food Bucks Program. Double Up Food Bucks is a facet of SNAP that aims to increase produce consumption and thus healthy eating habits. Through the program, for every \$1 you spend on produce, you receive an additional \$1 that can also be used to purchase produce. This currency can only be redeemed in the market where you use it, promoting more economic revenue for participating vendors. The program can be used at participating grocery stores (no limit), farmers markets (\$20 limit in receiving food bucks back daily), participating farm stands (one can receive a fifty percent discount on purchases of produce), and Community Supported Agriculture (one can purchase a share of the farm, using Double Up Food Bucks to cover up to half of the cost of the share, and receiving weekly produce). Through these programs, individuals utilizing SNAP have greater opportunities to purchase, especially at the Lane County Farmers Market, and local Willamette Valley growers' businesses are stimulated. This program stimulates local food systems, reconnecting SNAP beneficiaries with locally grown produce to decrease food insecurity. (*Double Up Food Bucks Oregon | Double Up Food Bucks Oregon, n.d.*)

Additionally, Schuler described how the cuts to LFPA and LFS at both the federal, local, and state levels have led to massive economic loss. Food banks and schools have suffered

significant funding cuts that have led them to purchase less food from local growers. Schuler stated that this comes at a terrible time, as food prices skyrocket, the lines keep getting longer, but there are consistently fewer nutritious and local options available. Farms in the Willamette Valley have experienced a loss of \$10 million due to the loss of subsidies for local food in schools and food banks. These local food purchases are integral to local economic development.

Schuler also voices frustration with the current Farm Bill, as it does little to support small farmers. Commodity farmers have the greatest political power as they can afford lobbyists that garner support for large agricultural pursuits. Thus, laws are often built to best support commodity farmers. Commodity farmers receive the largest bailouts, and they are often the reason bailouts are prompted, according to Schuler. Schuler denotes that their main support from the Farm Bill is not any farm-specific program or grant; it is SNAP and Double Up Food Bucks, as mentioned above.

As the federal funding freeze continues without an end date in sight, Schuler discussed how her farm has personally been affected. Schuler states that their EQIP loan was cancelled, along with many other farmers in her community. EQIP has been integral in providing farmers in her region with high tunnel greenhouses, which are essential for growing high volumes of plant starts and add great value to farms. EQIP has lowered farm costs dramatically, as high tunnels are very capital-intensive. Additionally, Schuler briefly discussed how many farmers, specifically in the hazelnut and wheat industry, have lost crop insurance payouts and thus are struggling financially.

Analysis

Throughout the interviews, key consequences of the federal funding freeze can stem from two primary impacts: the loss of federally funded grants and the termination of government

contracts. These outcomes are not only disruptive to ongoing development and enhancement efforts, but they also have broader implications for workforce continuity, long-term small farm viability, and stability within the small agriculture sector. The abrupt interruptions in federal financial support create systemic vulnerabilities for farmers, which my interviews had hoped to highlight.

The cancellation of key federal funding and loan programs- including the Environmental Quality Incentives Program (EQIP), Local Food Purchase Assistance (LFPA), Local Food Promotion Program (LFPP), Conservation Stewardship Program (CSP), and USAID- has had extensive impacts on domestic small-scale growers. LFPA, LFPP, and USAID create markets for growers to sell their produce. LFPA and LFPP are integral to promoting local food systems, as they allow local entities more purchasing power. Without these programs, many local schools face uncertainty on whether they will have the financial capacity to continue purchasing from local growers, and local growers face a loss of a major market. USAID has long been one of the most dependable sources of income for American farmers, with historically \$2.1 billion purchased annually from domestic growers (Admin, 2025). Farmers are uncertain whether they will receive their financial investments back after the growing season, as they scramble to find new buyers. The loss of conservation programs, EQIP and CSP, is leading to less resilient and climate-adaptive farms, which will only prove to cause more debt in the future as the climate continues to worsen.

Further, uncertainty surrounding the continuation of programs such as the Rural Energy for America Program (REAP) and Partnerships for Climate-Smart Commodities (PCSC) has destabilized planning and investment efforts across the agriculture sector. This uncertainty in loan obligation fulfillment has led to a significant accumulation of debt among farmers, as they

operate on a reimbursement basis. This debt will impact the capacity of farms as they enter the growing season, as they will become unable to make necessary operational inputs or incidental purchases. Additionally, development of farms will be halted as farms are no longer able to access loans that provide funding for resiliency and adaptive updates. Thus, farms also face the issue of not being properly retrofitted to withstand the demands of the changing climate.

The federal funding freeze is not only detrimental to the success of small farmers, but it is also creating an unprecedented impact on rural communities. Farming serves as the backbone to many rural economies, thus, a loss in farming income means fewer tax dollars. (Admin, 2025). There will be reduced funding for education, medical facilities, emergency services, and infrastructure. Moreover, as farms continue to fall into debt and possibly close, supply will be limited, and grocery prices will rise. These economic issues can eventually be translated into an increase in rural poverty. (Admin, 2025).

Additionally, throughout the interviews I conducted, a recurring theme appeared: deep worry about potential reductions in the Supplemental Nutrition Assistance Program (SNAP). Farmers and policy associates alike expressed that preserving the current funding for SNAP is a top priority. These worries reflected fear of a loss of revenue generated from SNAP-supported programs, such as Double Up Food Bucks, and of declining strength in local food systems. SNAP is currently the most highly funded portion of the Agriculture Improvements Act of 2018 (RAFI (Rural Advancement Foundation International), 2022). With the current administration's desire to reduce federal spending, SNAP is under threat. A decline in SNAP funding will have adverse effects on food-insecure individuals, their access to nutritious foods, and small farms' role in providing for their local community. Thus, it becomes ever more integral to advocate for the continuation of funding for SNAP at the current level.

Federal assistance is essential to the survival and long-term prosperity of small farms, which often lack the financial cushion to absorb disruptions in funding or market access. We have already seen several critical financial impacts on the small agriculture sector due to the pause in federal funds, including rising debt, delayed operational improvements, and the loss of reliable markets such as foreign aid and schools. These effects highlight the fragile position small farms occupy within the broader industry and prove the essential role federal programs play in stabilizing and sustaining their operations. As Congress begins the development of the next Farm Bill, the stakes remain particularly high. Renewing essential nutrition funding and reinstating cancelled programs- EQIP, LFPA, LFPP, and CSP- depends heavily on legislative priorities and political will. These programs have proven incredibly effective in promoting economic resilience, climate adaptability, and food system equity. The next Farm Bill will not just be a policy milestone, it will be pivotal in reaffirming the federal government's commitment to rural livelihoods, local food systems, and long-term agricultural sustainability.

Conclusion

This project has great significance in the current era due to the uncertainty surrounding a new Farm Bill. The Agriculture Improvements Act of 2018 was originally set to expire September 30, 2023; however, the American Relief Act, 2025 has extended the Farm Bill until September 30, 2025 (*Farm Bill Home | Farm Service Agency*, n.d.). The creation of a new Farm Bill is long overdue, and it will be integral in assuring the continuation of many vital programs and grants. The Farm Bill is instrumental in creating local food systems and providing proper nutrition to communities, and there is hope that the next Farm Bill will pursue this mission.

Throughout this project, it has become increasingly apparent that small farms can benefit greatly from federal assistance. Federal grants, such as REAP or EQIP, provide small farms with essential funding for updated equipment and technology to promote higher efficiency and success in the field. Nutritional assistance programs, such as Double Up Food Bucks, can provide small farms with an expanded market and incentives for consumers to prioritize local produce. The project has found that federal grants and nutritional assistance programs are the two most significant venues in which the federal government can help small farmers succeed. This project does not aim to entirely negate the impact of state programs and grants. State programs and grants, as detailed by the interviewees, provide more tailored resources and faster response times. However, federal grants can provide much greater quantities of funding that can make a significant impact on small farms.

A revision of my methods would be beneficial if I were to pursue this research again. I believe that focusing on the literary research on the specific loans and grant programs available and most widely accessed by small farmers, rather than Titles as a whole, would have proven more effective and relevant to the case study. Additionally, pursuing IRB approval sooner would

have allowed for more time for outreach and conducting interviews, providing for a greater sample. The small sample size of my case study cannot be said to be representative of the entire farming community of the Southern Willamette Valley. An effort to engage a more diverse group of small farmers could be done through finding contacts through a greater set of databases, as this project focused solely on farmers found in the Lane County Locally Grown Guide. A look into a broader geographical region could provide an alternative analysis. Further, while I believe the loosely structured nature of the interview was beneficial to the ability for each participant to tell their story, I believe that more thorough questions would have provided me with more specificity in participants' answers. Specifically, as discussed above, if I had researched the specific loans and grant programs available to small farmers in my literature review, I would have asked more pointed questions about these topics. As the primary researcher, my bias and previous assumptions may have influenced the interpretation of ethnographic data. My data collection was also limited to what the USDA or state programs had published, lacking the depth of data I desired.

This project provides many opportunities for further research to be pursued. Primarily, investigating how states can implement greater support programs for small farms to cushion the effects of similar future disruptions in federal funding would be essential to creating stability for small farms. I touched briefly on this in the analysis section, but state partners such as Oregon Community Food System Network (OCFSN), are currently providing farmers in the Southern Willamette Valley with essential funding to retrofit and update infrastructure. Similar programs could be implemented across states, not only to ensure security, but also to provide small farmers with greater financial support overall. Additionally, as this paper dives into how the 2025 federal funding freeze has impacted small farmers, continuing this research in the future would

be extremely valuable. The effects of the federal funding pause will be ongoing and cannot be fully deduced right now. Further, research on how small farms can be supported through conservation and environmentally conscious programs would be critical to supporting the longevity of small farms. This paper touched on the effects felt by farmers through the cancellation of these programs, but further research on the financial benefits and services of the programs is a topic I hope to pursue later in my career.

While this project initially aimed to discover the reasons why small farms are facing higher closure rates and bankruptcy, the project truly became a case study in how the government at both the federal and state levels can bolster small farms in the economy. As the federal funding freeze strips farmers of many grants, they were supposed to receive this year, we have the rare opportunity to observe the true reliance of farmers on their grants and what transpires when farmers face the pause or termination of their grants. This project has shown that farmers are struggling severely due to unfulfilled contracts by the government and that federal assistance is an active piece in the success of many farms. However, as noted by Els, the most injurious effect of the pause in funding and contract fulfillment is not the mass debt or unfinished projects; it is farmers' loss of trust in the federal government that will persist. The Farm Bill must precariously navigate how it can continue to support small farmers during this current administration's massive budget cuts.

The Appendix

The original interview questions I had planned to ask are listed below.

1. What farm do you work on, and what role do you hold?
2. What agricultural products does your farm focus on? Additionally, what is the capacity?
3. Have you noticed any major changes in the requirements for packaging as dictated by federal regulation?
 - a. What federal regulation was the source of this change?
 - b. How detrimental was it to the success of your farm?
4. Have you noticed any major changes in the requirements for harvesting techniques as dictated by federal regulation?
 - a. What federal regulation was the source of this change?
 - b. How detrimental was it to the success of your farm?
5. Have you noticed any major changes in the requirements for food processing as dictated by federal regulation?
 - a. What federal regulation was the source of this change?
 - b. How detrimental was it to the success of your farm?
6. Have you noticed any major changes in the requirements for packaging as dictated by federal regulation?
 - a. What federal regulation was the source of this change?
 - b. How detrimental was it to the success of your farm?
7. What local initiatives have helped to support your farm through changing regulations?
8. Are there any other federal regulations that have been severely impactful to your daily operations?

The interview questions I asked Shelley Schuler are listed below.

1. How have your current farm operations changed due to the farm bill or other federal legislation?
2. What federal regulations have significantly impacted their processes (such as how processing and packaging have changed, how harvesting methods have had to adapt to new regulations, and changes in growing food)?
3. How much support do you think the farm bill has provided to small farmers?
4. How has the federal funding freeze impacted any grants or assistance you have received?

The interview questions I asked Sophie Els are listed below.

1. Can you give a brief explanation of what your organization does/ to support small farmers?
2. Can you speak on the wider impacts of federal funds freezing in Oregon?
3. How impactful have you seen federal legislation and funding be for small farmers? Do you think federal legislation or state legislation is more impactful?
4. What specific grants have you seen most affected by the federal funding freeze?
5. What specific government assistance programs have you seen most affected by the federal funding freeze?

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