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SENATE BILL 5092

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State of Washington

59th Legislature

2005 Regular Session

By Senator Jacobsen

Read first time 01/13/2005. Referred to Committee on Agriculture & Rural Economic Development.

1 AN ACT Relating to the beginning farmers loan program; adding a new  
2 section to chapter 43.180 RCW; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds that there are a  
5 significant number of people from both urban and rural areas of the  
6 state with the training, expertise, and interest in initiating a  
7 livelihood in farming but who lack the financial resources to get  
8 started. The legislature also finds that the average age of existing  
9 farmers is increasing, the number of full-time commercial farms is  
10 decreasing, and an increasing concern that there will be insufficient  
11 young people who have both the capability and interest to fulfill the  
12 needs for the next generation.

13 The legislature finds that there are a significant number of new  
14 small farms in the state and a significant enrollment in agricultural  
15 courses offered by public community colleges and universities and the  
16 beginning farmer program offered by Washington State University  
17 cooperative extension.

18 The purpose of this act is to establish a program to test the  
19 feasibility, interest, and results of a beginning farmer loan program.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 43.180 RCW  
2 to read as follows:

3        (1) The commission shall establish and administer a program for  
4 providing loans for beginning farmers.    In developing the initial  
5 program, the commission shall establish criteria that will allow it to  
6 choose those applicants that are well prepared, have the greatest  
7 chance of success, and have developed a farm business plan.    In  
8 developing the criteria, the commission shall establish an advisory  
9 committee that includes successful farmers, experienced agricultural  
10 lenders, and university faculty that have taught courses on the  
11 development of farm business plans.

12        (2) The program shall offer loans to well qualified prospective  
13 farmers at rates and terms that are equivalent to those currently  
14 provided to the prospective home buyers.    The commission, in  
15 consultation with the advisory committee, may establish eligibility  
16 standards.

17        (3) The commission shall inquire into the eligibility of beginning  
18 farmer loans authorized under this section for the federal beginning  
19 farmer and rancher loan guarantee program authorized under section 5004  
20 of the federal farm security and rural investment act of 2002.

21        (4) For purposes of the beginning farmer loan program, the  
22 commission shall allocate one percent of the authorized limit on  
23 indebtedness as established pursuant to RCW 43.180.160.

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