

Keeping Protected Farmland in Agricultural Production While Promoting Farmland Access

Over the next 20 years, 371 million acres of farmland (41% of all farmland) in the United States are expected to change hands. The average age of principal farm operators in Connecticut is 58 years old, and many of these farmers are looking to transition their farm operations to new ownership. In addition, other farmland owned by non-farming landowners is being transferred to the next generation, often without a clear direction toward long-term agricultural use.

Furthermore, competition for available farmland in Connecticut is stiff. Aspiring, beginning, socially disadvantaged, and established farmers compete with each other and against non-farm buyers seeking land for residential, commercial, industrial, and, increasingly, renewable energy development. This competition has intensified as farmland conversion in the state continues.

The Option to Purchase at Agricultural Value (OPAV) will give farmer landowners an incentive to sell their farm to the next generations of farmers, strengthen existing agricultural conservation easements, and provide the selling landowners with additional financial compensation as well as more confidence that their farm legacy will continue. OPAV would significantly increase the state's return on its investment in protecting farmland and play an important role in increasing local food production and innovation in our agricultural economy. Finally, the competition for land in CT continues to be stiff, and the state's Farmland Preservation Program does not ensure that a farm stays inactive for agricultural use.

This Legislative Session, the CT State Legislature has an opportunity to authorize this important tool and pass H.B. 5598- *An Act Concerning the Authority of the Commissioner of Agriculture to Purchase Certain Farmland at Agriculture Value.*

Authorize the Option to Purchase at Agricultural Value in CT

- Amend (Sec. 22-26 bb) Farmland Preservation Definitions Section to include a state definition for the "Option to Purchase at Agricultural Value" and "Agricultural use value"
- Amend (Sec 22-26 cc) to include that the Commissioner of Agriculture may purchase development rights to encourage the continuation of the land in agricultural production and maintain its long-term availability and affordability for future generations of farmers. The commissioner may consider utilizing additional mechanisms for these purposes including but not limited to, the Option to Purchase at Agriculture Value, right of first refusal, other deed restrictions, or stewardship requirements.
- Update (Sec. 22-26nn) the Community Farms Preservation Program statute to include the Option to Purchase at Agricultural Value



Fast Facts

- Connecticut's 381,539 acres of cropland, pasture, and farm woodlands provide food and feed, habitat for wildlife, help control flooding, protect wetlands and watersheds, and maintain air quality.
- 31% of producers in the state are 65 or older while x percent of farmers in the state are young and beginning farmers.
- Less than 3% of CT's producers are Black, Indigenous, or People of Color (BIPOC), while the state's overall population is 20% BIPOC.

- Connecticut's farmland is the 4th most expensive in the nation at an average of \$13,700 per acre, according to the 2022 National Agriculture Statistics Survey.
- According to a 2016 report written by American Farmland Trust and Land for Good, Gaining Insight, Gaining Access, over 92% of Connecticut's 1,892 senior farmers do not have a young (under 45) farm operator working with them.

Frequenty Asked Questions

What is the Option to Purchase at Agricultural Value?

An OPAV (Option to Purchase at Agricultural Value) is a voluntary legal agreement that incentivizes the sale of land to only certain farmers or to family members and lowers the sale price to its agricultural value (versus the higher fair market value). This is because the land can no longer be sold to all willing buyers and must be sold at its agricultural value to a farmer or a family member.

Will purchasing an OPAV cost the state more money?

Yes, but the OPAV will benefit all future farmers in Connecticut rather than just the generation that sells the development rights.

Will it be mandatory for a farmland owner to place an OPAV on their land?

No, it would be voluntary for the farmer to place an OPAV on their farmland. The tool can be used retroactively, which means that farmers who have previously sold their development rights can apply to have an OPAV on their property.

What other states have implemented OPAV as part of their Purchase of Agricultural Conservation Easement programs?

Vermont, Massachusetts, and New York.

For More Information

- Land for Good Does the Option to Purchase at Agricultural Value Protect Farmland for Beginning Farmers?
- Mass Department of Ag. and Resources APR Right of First Refusal Information
- OPAV Information from Vermont Law Center Center for Agriculture and Food Systems Information on OPAV
- National Young Farmers Coalition <u>Land Access Report</u>
- National Young Farmers Coalition Working Lands Easements
- Vermont Land Trust <u>OPAV Example</u>



Chelsea Gazillo, cgazillo@farmland.org Working Lands Alliance Director, American Farmland Trust 707-495-8223 • workinglandsalliance.org