

## AMERICAN FARM BUREAU CONVENTION IN SALT LAKE CITY

A few days ago, I drove to the Salt Palace and participated in the 88<sup>th</sup> national convention of the American Farm Bureau Federation. This annual event, with delegates representing every state and agricultural commodity, provided an unusual opportunity to listen and to learn. Though I did not personally visit with agricultural producers from all 50 states, I did speak with many of them and listened carefully during general sessions. I found that rural issues are very similar, regardless of which state one lives in.

My major motive for attending was to serve as one of three judges in selecting a national winner in the Excellence in Agriculture Award program. This contest is designed as an opportunity for young farmers and ranchers to earn recognition while actively contributing and growing through their involvement in Farm Bureau and agriculture. Participants were judged on their involvement and progress in agriculture, evidence of leadership ability, and participation in civic, service and community organizations. The winning couple, Brian and Carrie Dalton of South Carolina, received a 2007 Dodge Quad Cab 4X4 1500 pickup truck with SLT trim and a 4.7 liter magnum V8 engine. The three runners-up couples from Texas, New York, and Ohio, each received a \$4,000 U.S. Savings Bond and a Farm Boss chainsaw, courtesy of Stihl Outdoor Power Equipment. We interviewed some impressive young leaders. I left with a feeling of optimism because of the demonstrated abilities and stimulating ideas shared by these young agriculturists.

One part of the competition had to do with contestants identifying three major issues they see facing young farmers and ranchers. Though there were a multitude of responses, three specific issues were identified again and again.

First, is the concern of escalating land prices. There seems to be no evidence that this trend will be reversed. Regardless of where one lives in the United States, it is becoming increasingly difficult to purchase land for farming purposes. Competition from non-farming investors, who have the resources to own the land but do not have the interest nor the equipment to farm the land, is perhaps turning us into a society of lords and serfs. About the only thing that seems to be working in various states to alleviate this problem is the sale of development rights to a land trust and then allowing younger farmers to purchase the land at agricultural value. The IRS option of 1031 tax exchange appears to be benefiting established landowners at the expense of younger farmers. Some of the contestants said we should do away with 1031 while others see its value.

A second identified concern of young farmers and ranchers has to do with estate taxes. For every dollar exceeding \$2 million that current owners leave behind at death, Uncle Sam will take .45 cents. It doesn't take a very large farm to exceed the current limit of \$2 million an individual can leave to heirs tax-free. The concern is that, unless Congress acts, that limit will supposedly be repealed altogether. This brutal tax has caused the sale of many family farms because of their inability to pay the estate tax in a

timely manner as required by the IRS. Readers may have an interest in participating in next Tuesday's seminar entitled Estate Planning for Farm and Ranch Families. Sponsored by the Utah Farm Bureau, this event will be held in the Multi-Purpose Room at the Cache County Administration building. Participants must register in advance by calling 801-534-7434.

Labor was a third issue that many of the young contestants identified as priority. Labor intensive operations, such as orchards, greenhouses, and dairies were especially concerned about the availability of a willing, trained workforce. It seems no one is satisfied with the current situation where millions of Mexican nationals are crossing the boarder, often ignoring US immigration laws, and obtaining employment in the US. However, the agricultural industry has employed many Spanish speaking workers and depends upon them in fulfilling labor intensive jobs in a timely manner.

Other issues that were discussed by these young producers included international trade, our image as an industry, energy costs, environmental issues, eminent domain laws, animal identification, country-of-origin labeling and a host of others.

I was interested in Agriculture Secretary Mike Johanns address during one of the General Sessions regarding the 2007 Farm Bill. Secretary Johanns reported there will be greater support in the next farm bill for young people interested in starting farming and ranching operations. He said a common theme among comments received by USDA gathered during dozens of listening sessions held around the country during the past 18 months had to do with the inability of getting the next generation launched on productive farms. It will be interesting to see what those USDA incentives will be.

I noted a general feeling of optimism among the assembled delegates. For years farmers and ranchers have been recognized as producers of food and fiber. Developments in the ethanol industry are now making agriculturalists producers of food, fiber and fuel. Even with our difficulties it was great to see new buoyancy and cheerfulness among the participants.