

Next Generation Farmer and Rancher Loan Repayment Assistance Act

Purpose

The legislature finds that agriculture is central to this state's traditions and economy and essential for feeding residents of this state and beyond. The legislature also finds that as the population of farmers and ranchers ages, this state faces a challenge in recruiting and retaining new farmers and ranchers. The purpose of the Next Generation Farmers and Ranchers Student Loan Repayment Assistance Act is to recruit and retain new farmers and ranchers to sustain New Mexico's agricultural industry, rural economies, and family farming operations. Additionally, the purpose of the Next Generation Farmers and Ranchers Loan Repayment Assistance Act is to reduce the barriers of entry for new farmer and ranchers who are working towards economic viability during the early years of their careers.

Major Provisions

- The program is administered by the New Mexico Department of Higher Education
- Awards up to \$22,000/person over a period of 5 years to help cover the cost of repaying student loans and interest, indexed to inflation.
- Promotes sustainable growth and retention of new farmers and ranchers in New Mexico:
 - Open to anyone farming or ranching in New Mexico who meets the requirements
 - Requires a recipient to operate a farm or ranch for at least five years in New Mexico
 - Funds recipients for five full years, adding additional recipients each year
- Prioritizes farmers and ranchers who:
 - Have graduated from New Mexico public colleges and universities
 - Have substantial financial need
 - Intend to pursue farming or ranching as a long-term career
 - Are most likely to succeed in farming or ranching based in interest, training, expertise
 - Are members of groups underrepresented in farming or ranching in this state
- Allows for breaks in farming or ranching due to circumstances beyond someone's control, including military service.
- Appropriates \$60,000 from the general fund for 2018-19, increases to \$330,000 per year once program is fully implemented.

Requirements

- Graduate from an institution of higher education w/ an associate or baccalaureate degree
- Be a state resident whose primary occupation is to operate a farm or ranch, defined as between \$35,000 and \$500,000 in gross annual sales;
- Apply within 5 years after obtaining a degree
- Agree to operate a farm or ranch in this state for the duration of no less than five years after being accepted into this program
- Earn at least two-thirds of the recipient's gross income from all sources for one of the previous two taxable years comes from farming or ranching