

2009-2012 Farm Bill Spending (Actual) on Local and Regional Food Systems in US and California: Woefully Inadequate to Support Growing Demand for Local and Regional Food

From 2009 to 2012, the farm bill provided roughly \$550 million for programs that support the growth of local and regional food systems, averaging about \$138 million a year. With hundreds of grant proposals rejected every year, public investment in infrastructure, marketing, research and technical assistance is far below what is needed to support the growing demand for local food production and distribution.

Demand for locally grown, sustainable food is rising in every corner of the country, with more than [100,000 growers now serving more than 160,000 local outlets](#). USDA estimates put the value of the local and regional food market in 2011 at \$7 billion. This growth is particularly remarkable considering the tiny amounts of federal funding that have been invested to help this burgeoning market grow and to remove the many barriers that farmers and food businesses face in meeting the demand from grocery stores, restaurants, schools, universities, hospitals and consumers.

The programs provide full or partial funding for projects that support local and regional food systems through healthy food access (\$123 million), marketing and promotion (\$155 million) or support for small and medium-sized farms (\$272 million). These include programs that support farmers' markets and community-supported agriculture (CSAs), local garden and youth agriculture projects, research, value-added agricultural enterprises, farm-to-school initiatives and other projects that make fresh food more accessible, expand consumer-to-farmer links and create new markets and higher prices for local farmers. More information about each program is provided below. The Business and Industry Guaranteed Loan Program also provides support to local and regional infrastructure development through loan guarantees but is not included since it does not constitute an actual expenditure of funds.

California receives 8 percent of national funding, an average of nearly \$11 million a year. The Specialty Crop Block Grant Program [is the largest source of funding in the state](#), with more than \$13 million allocated for local and regional food system projects over the past four years, followed by the Value Added Producer Grants, which provided \$7 million to California's producers during this time. The Community Food Projects Competitive Grants Program, the Farmers Market Promotion Program (renamed the Farmers Market and Local Foods Promotion Program in the 2014 farm bill) and the Beginning Farmer and Rancher Development Program are also important sources of funding for local and regional food systems in California.

Farm Bill Spending on Programs that Support Local and Regional Food Systems, US and CA, 2009-2012

Farm Bill Programs that Support Local and Regional Food Systems	2009		2010		2011		2012		2009-2012		% CA of US
	US	CA	US	CA	US	CA	US	CA	US	CA	
Award Totals (in millions)	\$128.0	\$9.6	\$122.7	\$6.8	\$165.1	\$13.3	\$132.2	\$12.5	\$550.3	\$42.1	8%
Healthy Food Access	29.8	2.4	33.3	1.7	29.50	1.8	29.4	2.4	123.1	8.3	7%
Senior Farmers Market Program	22.4	0.8	22.5	0.8	22.2	0.82	22.4	.82	89.4	3.3	4%
Community Food Projects Competitive Grants Program	5.0	1.3	4.8	0.5	5.0	0.9	4.8	1.1	19.6	3.8	19%
Sustainable Agriculture Research and Education*^	2.4	0.2	3.4	0.1	2.3	0.05	2.4	.5	10.5	.9	9%
Healthy Urban Food Enterprise Development Center	0	0	0.5	0.1	0.5	0	0	0	.96	.2	8%
Hunger Free Community Grants*^	0	0	2.69	0.2	0	0	0	0	2.7	.19	7%
Marketing and Promotion	37.39	4.59	17.77	2.7	63.25	7.6	36.4	7.53	154.8	22.4	14%
Value Added Producer Grants^	22.5	1.8	0.0	0.0	40.2	2.7	14	2.7	76.7	7.3	9%
Specialty Crop Block Grant*	9.2	2.2	11.9	2.3	12.4	3.9	13.6	3.8	45.5	12.1	27%
Farmers Market Promotion Program	5.0	0.5	5.0	0.4	10.0	1.1	9.2	.97	29.2	3	10%
Federal-State Marketing Improvement Program*^	0.7	0.1	0.9	0	0.7	0	1.1	0	3.4	.1	3%
Farming Opportunities and Economic Support	60.8	2.61	72.9	2.36	72.35	3.97	66.4	2.6	272.4	11.5	4%
Outreach and Technical Assistance for Socially Disadvantaged Farmers and Ranchers Competitive Grant	15.0	0.7	20.0	0.5	20.0	1.0	19.0	.23	75	2.1	3%
Community Outreach and Assistance Partnership Program^	12.4	0.5	9.6	0.3	13.0	0.7	7.7	.7	42.7	2.3	5%
Rural Cooperative Development Grants^	4.0	0.2	7.6	0.2	7.0	0.2	5.8	.4	24.4	1	4%
Rural Business Enterprise Grant*^	5.0	0.2	5.5	0.5	5.5	0.4	1.6	.1	17.5	1.1	6%
Agriculture and Food Research Initiative: Agricultural Prosperity for Small and Medium-Sized Farms	4.8	0	6.9	0	4.8	0	7	0	11.7	0	0
Small Socially Disadvantaged Producer Grants^	1.4	0	3.0	0	2.9	0	3	.1	10.3	.43	4%
Small Business Innovation Research: Small and Mid-Sized Farms^	0.5	0.0	1.2	0.1	1.3	0.1	.7	.02	3.7	.21	6%
Rural Business Opportunity Grants*^	0.4	0.0	0.7	0.3	0.4	0.0	2.3	.08	3.9	.38	10%
Beginning Farmer and Rancher Development Program^	17.3	1.0	18.3	0.5	17.5	1.3	18.3	1.2	71.4	4.0	6%

Source: EWG analysis of USDA documents, websites, awards information and communication with USDA staff

*Totals include only those projects focused on local and regional production

^Funding totals from grant awards only, no administrative costs included

Farm Bill Programs that Support Local and Regional Food Systems

Agriculture Food Research Initiative: Agricultural Prosperity for Small and Medium-Sized Farms – AFRI provides research, education and extension grants that address problems in sustaining agricultural production, with a secondary focus on the success of small and medium-sized farms.

Beginning Farmer and Ranchers Development Program – BFRDP provides funds for programs of education, training and outreach to support the next generation of farmers and ranchers.

Community Facilities Grants – This program provides grants to help with development of community facilities in rural areas. Projects include community food banks, farmers' markets and facilities and equipment that support food production, preparation and distribution.

Community Food Projects Competitive Grants – This program provides grants to help meet the food needs of low-income people and improve the self-reliance of communities by increasing their capacity to provide food for their residents.

Community Outreach and Assistance Partnership Program – This program provides funds to organizations that offer risk management training to limited-resource, socially disadvantaged, underserved and beginning farmers and ranchers.

Farmers Market Promotion Program – FMPP provides grants for agricultural cooperatives, producer networks and other organizations to improve and expand farmers' markets, community-supported agriculture programs, agri-tourism activities and other direct producer-to-consumer market opportunities.

Federal-State Marketing Improvement Program – The FSMIP funds state Departments of Agriculture or similar state agencies to research and develop new approaches for marketing agricultural products, including locally produced foods.

Healthy Food Urban Enterprise Development Center – HUFED was created in the 2008 farm bill to improve access to and distribution of affordable, nutritious foods, including locally produced agricultural products, to underserved urban communities.

Hunger Free Community Grants – Created in the 2008 farm bill, this program provides funding to help end hunger by increasing food access at the community level.

Outreach and Technical Assistance for Socially Disadvantaged Farmers and Ranchers Competitive Grants – Also known as the “section 2501 program,” this program is designed to enhance outreach, education and technical assistance for women and racial and ethnic minority agricultural producers.

Rural Business Enterprise Grants – RBEG provides grants to aid in development of new and small businesses in rural areas, including purchasing equipment, training and technical assistance and facility development to support local and regional food production and distribution.

Rural Business Opportunity Grants – RBOG is a technical assistance program designed to promote sustainable economic development in rural communities by providing funds for improved business planning and management. Enhanced production agriculture and support for local and regional food systems are among the five key strategies of the program.

Rural Cooperative Development Grants – RCDG provides funding to create and operate centers for cooperative development, including farming, ranching and value-added products, to improve the economic condition of rural areas.

Senior Farmers Market Program – Provides money for low-income senior citizens to purchase fruits, vegetables, honey and herbs at farmers' markets and through community-supported agriculture programs.

Small Business Innovative Research: Small and Mid-Sized Farms – One of 10 topic areas in the SBIR program, this program focuses on improving the profitability of small and mid-sized farms through research and development of new technologies.

Small Socially Disadvantaged Producer Grants – SSDPG provides support for small and socially disadvantaged agricultural producers and cooperatives in rural areas to support job creation and rural economic welfare.

Specialty Crop Block Grant Program – Authorized in 2004, SCBG was established for the sole purpose of enhancing the competitiveness of specialty crops, which include fruits, vegetables, tree nuts, dried fruits, horticulture and nursery crops, including projects that support food access, enhance nutrition and strengthen local and regional markets.

Sustainable Agriculture Research and Education – SARE provides grants to fund ongoing innovation in sustainable agriculture, including projects aimed at local and regional food production and marketing.

Value-Added Producer Grants – Offered through USDA's Rural Development office, VAPG provides grants to support the marketing of value-added agricultural products and farm-based renewable energy.