Non-Operator Landowners and Grassland Management: Issues and Opportunities

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ISU Extension Sociology
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Objectives

• Review concerns and potential positives associated with rented land
• Present data from Ag Census and Iowa Farm and Rural Life Poll: Background on rented land in Iowa
Objectives

Present data from study conducted for NRCS Conservation Innovation Grant (CIG) with CDI and Agren, Inc.

This presentation
- Basic information on non-operator landowners: who are they?
- Compare characteristics by landowner type, CRP enrollment
- Discuss how attitudes toward a conservation certification program might relate to managed grazing
Why worry about landownership and tenure?

Environmental and social implications

- Environmental stewardship of rental land a concern
  - “Absentee” landowners viewed as less concerned and involved in soil and water conservation
  - Decision-making authority regarding landscape alteration generally landowner’s: Conservation sufficient?

- Ownership is control, access to farmland critical to success in farming
  - Access to sufficient land can determine profit or loss
  - Smaller-scale, less established farmers more vulnerable
  - Concern about “absentee” land in CRP
  - Rented land critical to beginning farmers: risk and opportunity
Percent of farmland rented, by county: 2007

Source: 2007 Census of Agriculture
Change in percentage of rented land, 1987-2007

Source: 1987 and 2007 Census of Agriculture
Percent of County Enrolled in CRP
As of April 2007

Source: U.S. Department of Agriculture – Farm Service Agency
Prepared by Gerald A. Miller, Professor of Agronomy
Department of Agronomy, Iowa State University, Ames, Iowa 50011
Estimated land rents flowing to other states, 2009

Map of Iowa showing land rents in different categories:
- $376,134.00 - $1,000,000.00
- $1,000,000.01 - $4,000,000.00
- $4,000,000.01 - $6,000,000.00
- $6,000,000.01 - $8,000,000.00
- $8,000,000.01 - $13,500,000.00
Dependence on rented land by age group, primary occupation farmers

Source: 2007 Census of Agriculture
Percent full tenants by age group, primary occupation farmers

Source: 2007 Census of Agriculture
Survey with CDI and Agren: Who are non-operator landowners?

Study sites: Surveyed all non-operator landowners in two areas
Where do they live in relation to the land?

- On the land: 23%
- <25mi: 44%
- 25 to 149mi: 14%
- 150mi or more: 19%
What is their connection to the land?

- Former farmer: 37%
- Spouse former farmer: 15%
- Inheritor: 26%
- Investor family ties: 14%
- Investor: 8%
How are connection to and distance from the land related?
Do non-operator landowners with CRP differ?

- Personal characteristics
- Land/land use characteristics
- Level of involvement in land management
- Decision-making factors: production and conservation
- Interest in types of management information
- Interest in a Master Farmland Conservationist program

Would NOL CRP participants be interested in managed grazing?
## Personal characteristics

<table>
<thead>
<tr>
<th></th>
<th>CRP</th>
<th>No CRP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>69</td>
<td>71</td>
</tr>
<tr>
<td>Retired?</td>
<td>60%</td>
<td>66%</td>
</tr>
<tr>
<td>Gender (percent male)</td>
<td>65%</td>
<td>62%</td>
</tr>
<tr>
<td>College education?</td>
<td>38%</td>
<td>33%</td>
</tr>
<tr>
<td>Used to farm?</td>
<td>61%</td>
<td>64%</td>
</tr>
<tr>
<td>Likelihood land will stay in family?</td>
<td>76%</td>
<td>70%</td>
</tr>
<tr>
<td>Importance of land for income (% important/very important)</td>
<td>69%</td>
<td>66%</td>
</tr>
</tbody>
</table>
### Land/land use characteristics

<table>
<thead>
<tr>
<th></th>
<th>CRP</th>
<th>No CRP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres owned</td>
<td>498</td>
<td>221</td>
</tr>
<tr>
<td>Acres rented</td>
<td>366</td>
<td>209</td>
</tr>
<tr>
<td>Percent with row crops</td>
<td>96%</td>
<td>98%</td>
</tr>
<tr>
<td>Percent with grazing and/or hay</td>
<td>34%</td>
<td>26%</td>
</tr>
<tr>
<td>Acres in grazing and/or hay</td>
<td>103</td>
<td>42</td>
</tr>
<tr>
<td>Percent crop share lease</td>
<td>25%</td>
<td>17%</td>
</tr>
</tbody>
</table>
Involvement: Living distance from land
Involvement: Frequency of visitation (landowners who live off land)

- Daily: 7% CRP, 6% No CRP
- Weekly: 21% CRP, 16% No CRP
- Monthly: 17% CRP, 16% No CRP
- Several times/yr: 35% CRP, 35% No CRP
- Once a year: 12% CRP, 12% No CRP
- Less: 9% CRP, 16% No CRP
Involvement: Number of times communicated with tenant, previous year

- Communication farming practices:
  - CRP: 17.2
  - No CRP: 15.1

- Communication conservation:
  - CRP: 6.8
  - No CRP: 4.8
Involvement: Watershed management activities (five-point scale)

- Involved in watershed activities: CRP 3.2, No CRP 2.8
- Willing to be more involved: CRP 3.0, No CRP 2.8
Land management decision making: Degree of influence (five-point scale, no influence to very high influence)

- Need for income: CRP = 3.8, No CRP = 3.8
- Enviro concern: CRP = 3.7, No CRP = 3.5
- Recreational considerations: CRP = 2.5, No CRP = 1.8
- Wildlife considerations: CRP = 3.0, No CRP = 2.5
- Aesthetic considerations: CRP = 2.8, No CRP = 2.5
Interest in receiving information and technical assistance (four-point scale, not at all to very interested)
Thinking about the environmental movement, do you consider yourself to be…
Conservation expenditure on rented farmland

- None: CRP = 33%, No CRP = 29%
- < $5k: CRP = 32%, No CRP = 27%
- $5-15k: CRP = 23%, No CRP = 15%
- $15-25k: CRP = 13%, No CRP = 7%
- $25-50k: CRP = 4%, No CRP = 4%
- $50-100k: CRP = 2%, No CRP = 2%
- $100k+: CRP = 0%, No CRP = 0%
Master Farmland Conservationist Program?

Preface in survey:
Several groups in Iowa are thinking about developing a voluntary program to certify farm operators as “Master Farmland Conservationists.” To become a Master Farmland Conservationist, a farm operator would complete approximately 40 hours of coursework and instruction on conservation-related topics including:

- identifying farmland conservation needs,
- understanding state, federal, and other conservation agencies, programs, and resources available to support conservation,
- planning and implementation of conservation practices,
- communicating conservation needs to landowners, and
- marketing conservation skills to landowners.

Operators would be required to complete 3 to 6 hours of continuing education each year to maintain their Master Farmland Conservationist designation. Farm operators would be able to market their Master Farmland Conservationist certification as an asset that would assure landowners that they would care for their land. Please answer the following questions regarding the proposed program.
Master Farmland Conservationist Program?

Three main questions: Yes, Maybe, No, Don’t Know response categories

1. Would you be in favor of a Master Farmland Conservationist program that “certifies” farm operators’ ability to apply soil and water conservation?

2. Would you rent to a certified Master Farmland Conservationist over someone who was not certified, if rent did not change?

3. If a Master Farmland Conservationist program were developed, would you want your renter to become a certified Master Farmland Conservationist?
Percent Yes or Maybe

- In favor of MFC program: 52% CRP, 45% No CRP
- Would prefer MFC tenant: 57% CRP, 49% No CRP
- Would want tenant certified: 49% CRP, 43% No CRP
Some conclusions

- Rented land is a large proportion of farmland, even in south
- Rented land critical, especially for young farmers
- 500,000+ acres CRP expiring next 5 years
- How to make managed grazing an option that is considered?
• CRP participants may be more open to managed grazing
  – More engaged
  – More conservation-minded
• Need to know there are options other than the plow
• Caveat: $7 corn
• Awareness building: landownership entails responsibility in addition to rights; stewardship of land and contribution to community where land is located

• Facilitating mechanisms: Certification of operators to build trust?
  – with both landowners and agencies and organizations
Thank you!
Thank you!