

OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE

Marc Elrich County Executive

Tiffany Ward Director and Chief Equity Officer

MEMORANDUM

November 12, 2024

- To: Jennifer Bryant, Director Office of Management and Budget
- Tiffany Ward, Director From: Office of Racial Equity and Social Justice Jiffamy Ward

Re: Racial Equity Impact Assessment (REIA) for Supplemental Appropriations #25-21 Ag Land Preservation Easements (No. 0788911), \$739,758

In February 2023, the Office of Racial Equity and Social Justice submitted to the Office of Management and Budget (OMB) a Racial Equity Impact Assessment (REIA) for Supplemental Appropriation (SA) #23-63 Agriculture Land Preservation Easement (No. 0788911). Available information about SA #25-21 Ag Land Preservation Easements (No. 0788911), \$739,758 indicates that an amendment to this project is necessary because the Office of Agriculture (OAG) received the FY24 State Ag Transfer Tax amount of \$939,758 which was \$739,758 higher than the projected and appropriated amount of \$200,000. This appropriation will allow OAG to acquire additional easements in the Agriculture Reserve. Because there are no significant differences between SA #23-63 and SA #25-21, and because the current eligibility criteria for the funds involved in this appropriation do not include smaller farms under 50 acres, ORESJ's finding statement and analysis remain unchanged:

The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental #23-63— Agriculture Land Preservation (No. 0788911)— is unlikely to advance racial equity and social justice in the County, as the eligibility criteria of funds involved with this appropriation do not include smaller farms under 50 acres, which due to structural inequities are more likely to have a principal producer who is a person of color or female. As a result, the acquisition of additional easements on the agricultural reserve—through this supplemental request—is more likely to benefit larger farms with a principal producer who is White or male. ORESJ, recommends that those considering SA #25-21 do

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so by reviewing the REIA that ORESJ submitted for SA #23-63¹ (and #22-MCG-06²), which is provided below.

In addition to reviewing the REIA for SA 23-63, ORESJ has provided an updated analysis of the 2022 US Agriculture Census, which shows some gains in average acreage among female principal producers, while the average acreage among principal producers who are Asian, Black, Hispanic, or More than One Race, remains less than the county average of 120 acres per principal producer and lower than the 50 acre eligibility criteria for the funds involved with the Ag Land Preservation Easement project.

2022 Census of Agriculture, Montgomery County, MD					
Principal Producer	Number of Farms	Land in farms (acres)	Average acres per producer		
County	583	69,759	120		
Asian	22	478	22		
Black	14	392	28		
White	568	69,347	122		
Hispanic	33	1,465	44		
Native American/Alaska Native	2	D	D		
More than one race	8	191	24		
Male	520	67,744	130		
Female	415	35,758	86		
New and beginning (table 57)	242	15,736	65		

Note: (D): Withheld to avoid disclosing data for individual farms.

https://www.nass.usda.gov/Publications/AgCensus/2022/Full Report/Volume 1, Chapter 2 Co unty Level/Maryland/mdintro.pdf

Source: Authors calculations of 2017 USDA Census of Agriculture using Table 1, 46, 47, 48, 49, 50, 51, 53, 54, 57. Available at:

https://www.nass.usda.gov/Publications/AgCensus/2022/Full Report/Volume 1, Chapter 2 Co unty Level/Maryland/

¹ <u>https://www.montgomerycountymd.gov/ore/Resources/Files/23-63.pdf</u>

² https://www.montgomerycountymd.gov/ore/Resources/Files/22-53.pdf

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2017 Census of Agriculture, Montgomery County, MD					
Principal Producer	Number of farms	Land in farms (acres)	Average acres per farm		
County	558	65,537	117		
Asian	12	319	27		
Black	14	316	23		
White	515	64,341	125		
Hispanic	17	833	49		
Native American/Alaska Native	4	110	28		
More than one race	20	500	25		
Male	363	57,397	158		
Female	353	18,660	53		
New and beginning (table 57)	147	12,512	85		

SOURCE: Authors calculations of 2017 USDA Census of Agriculture using Table 1, 46, 47, 48, 49, 50, 51, 53, 54, 57. Available at:

https://www.nass.usda.gov/Publications/AgCensus/2017/Full Report/Volume 1, Chapter 2 Co unty Level/Maryland/

- I. **<u>FINDING</u>**: The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental #23-63—Agriculture Land Preservation (No. 0788911)— is unlikely to advance racial equity and social justice in the County, as the eligibility criteria of funds involved with this appropriation do not include smaller farms under 50 acres, which due to structural inequities are more likely to have a principal producer who is a person of color or female. As a result, the acquisition of additional easements on the agricultural reserve through this supplemental request—is more likely to benefit larger farms with a principal producer who is White or male.
- II. <u>BACKGROUND</u>: The purpose of Supplemental Appropriation # 23-63 Ag Land Preservation (No. 0788911) is to fund agricultural land preservation easements using revenue from an FY23 State Rural Legacy Program (RLP) Grant award and FY22 State Ag Transfer Tax income. The Capital Improvements Program (CIP) Agriculture Land Preservation Easements project aims to support the Office of Agriculture's (OAG) ability to acquire additional easements on the Agriculture Reserve. The overarching goal of the County's Agricultural Land Preservation efforts are:
 - To conserve farmland for future food and fiber production
 - To ensure a continued high-quality food supply for our citizens.

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• To preserve the agricultural industry and rural communities

The County Agricultural Easement Program (AEP) enables the County to purchase preservation easements on farmland in the agricultural zones and in other zones approved by the County Council to preserve farmland not entirely protected by Transferable Development Rights (TDR) easements or State agricultural land preservation easements. In this case, the appropriation will be used to fund the acquisition of specific large easements (greater than 50 acres) in OAG's pipeline, one of which will be funded with an RLP Grant. Other easements involved with this appropriation will be funded with State Agriculture Transfer Tax income, which will be leveraged to increase available funding for the easement acquisition.

In February 2022, ORESJ conducted a REIA of Supplemental Appropriation #22-MCG 06³ which involved funding from the RLP. In that REIA, ORESJ explained how the RLP's structure and eligibility requirements do not enable equitable access to land for smaller farms, which, due to systemic and structural factors, are more likely to be farms owned by people of color or women. *Please read ORESJ's REIA for a full explanation of historical and current patterns of systemic racism in farming and land ownership.* Overall, the acreage restriction in the RLP limits OAG's ability to reach farmers of color and women farmers with the financial assistance afforded through the program.

In addition to RLP's land acreage constraints, OAG is constrained in its ability to expand land access by additional factors not well addressed with financial resources alone. One challenge is familiarity with land easement purchasing. Multigenerational farming families have more understanding of how to access and benefit from easement purchasing. So, resources for targeted outreach and awareness-building could help reduce knowledge gaps for new farmers, farmers of color, and women farmers. Another constraint in expanding equitable land access is the absence of designated legal expertise to efficiently structure and execute deals. Deal efficiency is a major challenge as the circumstances surrounding the buyers' and sellers' interests can quickly change. Finally, bolstering support for OAG with designated resources to target capital and assistance to smaller farms, newer farmers, farmers of color, and women farmers will go a long way in addressing wealth and other economic inequities related to land access and farming.

III. DATA ANALYSIS: The average farm in Montgomery County was 117 acres in 2017. Average farm acreage varies by race, ethnicity, and gender of the principal producer. The 2017 Census of Agriculture data for Montgomery County shows that the average acreage among principal producers who are women, people of color, and new or beginning is lower than the County average and the average among Male and White principal producers.

³ <u>https://www.montgomerycountymd.gov/ore/Resources/Files/22-53.pdf</u>

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Average Farm Acreage, Montgomery County, Maryland 2017

SOURCE: Author's calculations of 2017 USDA Census of Agriculture using Table 1, 46, 47, 48, 49, 50, 51, 53, 54, 57. Available at:

cc: Mike Scheffel, Director, Agricultural Services Tricia Swanson, Director, Strategic Partnerships, Office of the County Executive