

National Bulletins/Title 440 - Programs
NB_440_9_6, PGM – Historically Underserved Individuals and Groups – Definitions

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National Bulletin:	440-9-6	Date:	December 17, 2008
Subject:	PGM – Historically Underserved Individuals and Groups – Definitions		

Purpose.

To clarify definitions that the Natural Resources Conservation Service (NRCS) uses for program participation and services to Socially Disadvantaged, Beginning, and Limited Resources Farmers and Ranchers and Indian Tribes.

Expiration Date.

December 30, 2009

Background.

While the new Farm Bill program rules and manuals are being updated to reflect statutory policy changes, it is important to clarify the definitions that NRCS will use for program participation and service. This is particularly important for “Socially Disadvantaged” where there are two definitions in the law. The two definitions – one based on race, ethnicity, and gender that the Farm Service Agency uses for several of its programs and one based on race and ethnicity only that both NRCS and FSA use for Title II conservation programs.

Currently, information about the applicable definitions is located on the following sites:

http://www.nrcs.usda.gov/programs/SLB_Farmer/

and

<http://www.nrcs.usda.gov/programs/tribalgov/>

. The first Web site provides linkages to other Web sites that provide a more complete understanding of the definitions being used among other agencies.

Definitions

For purposes of participating in the Environmental Quality Incentives Program and the Conservation Stewardship Program, and other conservation programs, as defined by program rules and manuals, the following definitions apply:

A. Socially Disadvantaged

A socially disadvantaged group is a group whose members have been subject to racial or ethnic prejudice because of their identity as members of a group, without regard to their individual qualities. These groups consist of the following:

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American Indians or Alaskan Natives

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Asians

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Blacks or African Americans

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Native Hawaiians or other Pacific Islanders

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Hispanics

Note: Gender alone is not a covered group for the purposes of NRCS conservation programs.

A socially disadvantaged farmer or rancher is a farmer or rancher who is a member of a socially disadvantaged group. For legal entity applicants, all members/stockholders of the legal entity must be socially disadvantaged. There is no validation process for participants who self-certify as belonging to a socially disadvantaged group.

B. Beginning Farmer or Rancher

A Beginning Farmer or Rancher is an applicant who:

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Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years. This requirement applies to all members of a legal entity.

.
Will materially and substantially participate in the operation of the farm or ranch.

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In the case of a contract with an individual, individually or with the immediate family, material and substantial participation requires that the individual provide substantial day-to-day labor and management of the farm or ranch, consistent with the practices in the county or State where the farm is located.

In the case of a contract made with a legal entity, all members must materially and substantially participate in the operation of the farm or ranch. Material and substantial participation requires that the members provide some amount of the management, or labor and management necessary for day-to-day activities, such that if the members did not provide these inputs, the operation of the farm or ranch would be seriously impaired.

Applicants who self-certify eligibility as a Beginner Farmer or Rancher may be requested to provide records to justify their claim. It is the responsibility of the applicant to provide accurate data. False certifications are subject to criminal and civil fraud statutes.

C. Limited Resource Farmer or Rancher

A Limited Resource Farmer, Rancher, Forest Owner is an applicant:

With direct or indirect gross farm sales not more than the current indexed value in each of the previous 2 years.

Who has a total household income at or below the national poverty level for a family of four, or less than 50 percent of counties median household income in each of the previous 2 years.

An entity or joint operation can be a Limited Resource Farmer or Rancher if all individual members independently qualify.

Limited Resource Farmer Self-Determination Tool

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The purpose of this self-determination tool is to enable potential limited resource farmers and ranchers to ascertain eligibility for various USDA programs and benefits. The tool is available at:

<http://www.lrftool.sc.egov.usda.gov/>

D. Indian Tribes

Indian Tribe means any Indian Tribe, Band, Nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) that is, Federally recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

Note: “Indian Entities Recognized and Eligible To Receive Services From the United States Bureau of Indian Affairs” available at: <http://edocket.access.gpo.gov/2008/pdf/E8-6968.pdf>.

Contact. If you have any questions, contact the Director, Resource Conservation, Development and Outreach Division, at (202) 720-6700 or the National Small Farms Manager, at (202) 720-6521. /s/THOMAS W. CHRISTENSEN Deputy Chief for Programs



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Socially Disadvantaged, Beginning, and Limited Resource Farmers/Ranchers

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) continues to address the unique circumstances and concerns of socially disadvantaged farmers and ranchers, as well as beginning and limited resource farmers and ranchers. It provides for voluntary participation, offers incentives, and focuses on equity in accessing U. S. Department of Agriculture (USDA) programs and services. Enhancements include streamlined delivery of technical and financial assistance; improved programs and services; and flexibility in decision making (with most decisions made at the Tribal, State, or local level).

Definitions

Beginning Farmer or Rancher

A Beginning Farmer or Rancher means an individual or entity who:

- Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years. This requirement applies to all members of an entity,
- Will materially and substantially participate in the operation of the farm or ranch.

- Centers

1. In the case of a contract with an individual, individually or with the immediate family, material and substantial participation requires that the individual provide substantial day-to-day labor and management of the farm or ranch, consistent with the practices in the county or State where the farm is located.

2. In the case of a contract with an entity, all members must materially and substantially participate in the operation of the farm or ranch. Material and substantial participation requires that each of the members provide some amount of the management, or labor and management necessary for day-to-day activities, such that if each of the members did not provide these inputs, operation of the farm or ranch would be seriously impaired.

Socially Disadvantaged Farmer or Rancher

According to Section 2501(e)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 USC 2279(e)(2)), a *Socially disadvantaged farmer or rancher* is defined as a farmer or rancher who is a member of a "Socially Disadvantaged Group". Therefore a "*Socially Disadvantaged Farmer or Rancher*" is defined as:

1. Socially disadvantaged group - a group whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. The definition that applies to Titles I, V, and VI includes members of a group subject to gender prejudice, while the definition that applies

to Titles II, IX, XII, and XV does not. Title XIV and the Education and Risk Management Assistance provision in Title XII do not make specific reference to the statutory definition of socially disadvantaged farmer or rancher.

2. Socially disadvantaged Farmer or Rancher - a farmer or rancher who has been subjected to racial or ethnic prejudices because of their identity as a member of a group without regard to their individual qualities. This term means a farmer or rancher who is a member of a socially disadvantaged group. Specifically, a group whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. Those groups include African Americans, American Indians or Alaskan natives, Hispanics, and Asians or Pacific Islanders.

Note: Gender alone is not a covered group.

Limited Resource Farmer or Rancher

A Limited Resource Farmer or Rancher or Forest Owner is an applicant:

- With direct or indirect gross farm sales not more than the current indexed value in each of the previous 2 years, and
- Who has a total household income at or below the national poverty level for a family of four, or less than 50 percent of county median household income in each of the previous 2 years.

An entity or joint operation can be a Limited Resource Farmer or Rancher if all individual members independently qualify.

Limited Resource Farmer Self-Determination Tool

The purpose of this self determination tool is to enable potential limited resource farmers and ranchers to ascertain eligibility for various USDA programs and benefits.

- [On-Line Limited Resource Self-Determination Tool](#)

Indian Tribes

Indian Tribe means any Indian Tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) that is Federally recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

NOTE: "Indian Entities Recognized and Eligible To Receive Services From the United States Bureau of Indian Affairs" available at: <http://edocket.access.gpo.gov/2008/pdf/E8-6968.pdf>

Additional Information

2008 Farm Bill Fact Sheet details assistance available.

<http://www.nrcs.usda.gov/programs/farmland/2008/pdfs/>

[SDRBF At A Glance 062608final.pdf](#)

USDA Small Farmers Website. This web site is intended to be a one-stop gateway to resources, benefits and services offered by USDA for small farmers. <http://www.csrees.usda.gov/smallfarms.cfm>

Program Contact
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