BLUEPRINT FOR
RURAL POLICY ACTION
IN THE STATES
2022

A Joint Report By State Innovation Exchange (SiX) & Rural Democracy Initiative
BLUEPRINT FOR RURAL POLICY ACTION IN THE STATES

An addendum to the Rural Policy Action Report

A Joint Report By:
State Innovation Exchange (SiX) & Rural Democracy Initiative

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INTRODUCTION

HOW STATES CAN SUPPORT AND EMPOWER RURAL PEOPLE
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For decades, federal policymakers have made decisions to disinvest in rural communities. Disinvestment has contributed to rural population decline, leading to further disinvestment, in a vicious cycle of depopulation.

States can help to fill in the gaps.

Many of the decisions that most directly impact the lives of rural people are made at the state level, from Medicaid expansion and hospital funding to factory farm siting and enforcement of clean water rules to broadband expansion. Today, these decisions often reflect priorities of big business and lobbying groups, but it doesn’t have to be that way.

Rural communities from New York to Oregon share many common concerns, but the particulars are different from region to region. State legislators are well-positioned to learn just what their rural regions need and what assets they have, by listening to rural residents and local small businesses, building relationships with organizations and stakeholders - and, in many cases, through their own rural lived experience. This knowledge can turn into new policies, rules enforcement, services, and funding to have the greatest impact on their rural populations.
In 2021, Rural Democracy Initiative, Farm Action, and ruralorganizing.org organized and co-hosted a Rural Policy Summit. Rural advocates from across policy sectors and around the country shared their rural experiences. Indigenous organizers, health care advocates organizing in mountain communities, Midwestern family farm advocates and rural educators, farmworker advocates, and rural Black leaders from the South discussed key challenges and their policy priorities.

The key findings from the Rural Policy Summit were published as the *Rural Policy Action Report*, which outlines many of the most significant and urgent challenges facing rural communities. The report makes recommendations for federal policy across a broad range of issue priorities. These are practical positions for advocates, policymakers, and funders to take immediate action.

The *Rural Policy Action Report* was widely publicized and shared with policymakers, elected officials, and key decisionmakers in the Biden administration. Many of its key recommendations were adopted in 2021 and are already making a significant impact on people’s lives. The American Rescue Plan and the Infrastructure Investment and Jobs Act both funded key programs for rural public health, economic recovery, and job growth. President Biden’s Executive Order on Promoting Competition in the American Economy calls for new and better rules that will directly impact rural communities, including to lower prescription drug prices, increase wages, expand in-
Internet access, and establish the “right to repair,” which authorizes people to fix their equipment and property themselves rather than going to a licensed agent.

The **Blueprint for Rural Policy Action in the States** serves as an addendum to the 2021 federally focused *Rural Policy Action Report*. Building on the original report’s key priorities and challenges, this report provides detailed research on many issues facing rural regions and offers examples of strategic and popular policies introduced and enacted to address these issues in states around the country.

**UNITING FOR OUR MUTUAL BENEFIT**

We all want opportunities for good jobs, a healthy and safe place to live, and the freedom to participate in our community. Regardless of where we live or what we look like, we want to take care of ourselves, our families, and our community.

But today, some politicians and their corporate donors profit by dividing us. They try to make us fear each other so we won’t come together to demand investment in rural communities, livable communities, and the prioritization of working people. We need to go all in for all of us, joining together with people from all walks of life to make a better future for us all.

**THE IMPORTANCE OF BEING RACE-FORWARD WITH RURAL COMMUNITIES**

To build power rather than turning against each other, we must approach our organizing in all communities by leading with shared values and being explicit that we stand for racial justice.

A common narrative among progressives holds that rural communities are all-white, conservative, and likely ignorant and racist as well – and thus that they are not worth engaging on progressive ideas. This is a false and dangerous story.

**The reality is much more complex.**
According to the 2020 census, one in four rural Americans is Black, Indigenous, or Latinx. In some areas, rural communities are growing and thriving solely because of immigrants, as jobs in meatpacking plants or oil fields bring new arrivals from Latin America, Asia, or Africa who then settle and raise families.

Majority-white rural communities have been hit hard by corporate consolidation, growth of corporate power, and extreme income inequality, all facilitated by federal and state laws. Many small businesses, jobs, and resources have left rural areas, replaced by consolidated and mechanized businesses whose profits accrue to far-off corporate headquarters. Many white rural residents have become frustrated and disillusioned as they have watched their communities suffer in response to long-term divestment in rural vitality.

The abandonment of rural communities by the progressive movement is harmful to all of these communities. The absence of a progressive, race-forward analysis has left an ever-widening opening for racist ideas and analysis that blames immigrants, people of color, and non-Christian religions for the problems facing rural communities – rather than blaming a system that values corporate profits over local communities. As we have seen in recent years, these ideas can lead to very real intimidation and violence. They also distract from addressing the real issues.

Thriving communities, a healthy environment, and a strong democracy are for everyone – and we need everyone in order to get there. To truly include everyone, we must support antiracist education and analysis; create opportunities to build relationships across differences; show up and stand with allies when they are under attack, especially Black, Indigenous, and people of color (BIPOC); and organize in support of and together with multiracial movements.

HOW TO USE THIS DOCUMENT

This document is intended to help you, the reader, understand some of your options for advancing state-level policy that could improve the lives of people living and working in rural communities. The ideas included are not exhaustive and are provided as examples for inspiration. The devil can be in the details with policy, and it is always recommended to work with local advocates who have a strong understanding of the nuances of a given state’s laws.


It is also important to note that legislation is not the only avenue for change. As a policymaker, you may be able to address some of your community’s issues through other means, including appropriations and regulatory change. Directing new or expanded funding to an area of need or working with state agencies to write or enforce regulations or to clarify complicated language can have transformative impacts. While this document focuses primarily on legislation, we have included several examples of this kind; these alternative avenues are useful to keep in mind.

Additionally, some of these policies could be enacted at the local or county level, and advocates may want to incorporate some of these ideas into campaigns.

The document is divided broadly into four pillars:

1. End Historical Discrimination
2. Invest in Rural Communities
3. Rein in Corporate Monopolies and Prioritize Working People and Locally Owned Businesses
4. Build a Rural Economy That Prioritizes Community and Is Sustainable, Not Extractive

Each pillar includes discussion of several issue areas, with explanation and analysis, policy priorities, and examples of introduced or enacted policy from various states for each.
PILLAR I
END HISTORICAL DISCRIMINATION
PILLAR 1
END HISTORICAL DISCRIMINATION

Our government has failed to include rural, Black, Indigenous, Latino, and Asian people in its policymaking and has often discriminated against them. Black farmers being pushed from the land, Native American sovereignty disregarded, and Latino and Asian farm and meatpacking workers forced into dangerous working conditions are just a few examples of the harm and cruelty these communities face. It’s time to end this discrimination and restore justice.

ONGOING PRIORITIES

• Ensure that communities of color are directly involved in all parts of government decisions and implementations, such as infrastructure projects and agency rule-making.

• End the endangerment of rural communities, particularly those with large populations of color, as sites for polluting industries, such as mega factory farms.

• Engage in nation-to-nation consultation with tribal governments on projects and rule-making in a manner consistent with the United Nations Declaration on Indigenous Peoples, acknowledging their right to “free, prior, and informed consent.”

1. Advance the Freedom to Vote

No matter our race, background, or zip code, most Americans believe that for democracy to work for everyone, it must include everyone. Yet Americans across the country still struggle for their freedom to vote. Voting rights have long been under attack by politicians who want to make it harder for some people to cast their ballots, undermining the most basic principle of democracy.

In states across the nation today, legislatures are passing laws that intentionally make it harder to vote, which particularly impact Black voters and other voters of color, young voters, and rural voters. These antidemocratic tactics divide

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and distract communities while making it harder to pass laws that a majority of Americans favor. Laws that restrict voting have no place in a democracy and must be blocked at every opportunity.

At the same time, legislators in states around the country have also used many strategies to make voting accessible, including for rural voters. Rural voters face particular challenges: they are more likely to live far from their local elections office and their polling place, they are more likely to have limited internet access, and they may not have an official post office address. Rural communities also often struggle for resources and to hire election and poll workers.  

To address these issues, first and foremost, state legislators can expand, rather than restrict, the freedom to vote. Policymakers can ensure that all Americans can cast ballots in accessible and safe elections to make the promise of our democracy real for all.

Other specific strategies to make voting more accessible are working well across the nation. Same-day registration allows voters to register or update their records up to and including on Election Day. Automatic voter registration allows voters to register and keep their records updated during regular transactions with government agencies like the Department of Motor Vehicles. Voters in 21 states and Washington, DC, have access to these commonsense provisions. Prepaid postage for mail ballots, accessible drop boxes, and ballot tracking can help rural voters cast ballots conveniently and ensure their ballot is counted. Expanded mail voting, coupled with accessible in-person voting options like countywide vote centers, can give rural voters the flexibility to cast a ballot on their own schedule and in a variety of ways.

Legislators can address funding needs for local election offices by connecting with election administrators in rural communities, assessing resource needs, and striving to meet these needs in the state budget.

**POLICY PRIORITIES**

1. **Federal: The For the People Act** would expand Americans’ access to the ballot box, reduce the influence of big money in politics, strengthen ethics rules for public servants, and implement other anti-corruption measures.

2. **Federal: Support bills like the Freedom to Vote Act and the John Lewis Voting Rights Advancement Act**, which would advance voting access, curb...

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partisan gerrymandering, improve our campaign finance system, defend against election sabotage, and restore protections against racially discriminatory voting laws.

3. **State: Expand safe and accessible elections and the freedom to vote for all.**

4. **State: Establish same-day registration and automatic voter registration.**

5. **State: Expand vote by mail and provide convenient ballot return options.**

6. **State: Provide for convenient and accessible in-person voting locations.**

7. **State: Fund local rural election offices.**

**STATE EXAMPLES**

**Minnesota** (MN Statutes § 201.061) is one state with same-day registration; Colorado (2019 CO SB 235) is one with automatic voter registration. In eight states, all registered voters automatically receive ballots in the mail and can return them by drop box, mail, or in person at a polling location. **Oregon** (OR Rev. Stat. 254.470) is one of these.

**Washington** (WA Code § 29A.40.091) provides prepaid postage for mail ballots.

**Colorado** (C.R.S. 1-5-102.9) requires accessible vote centers for in-person voting, in addition to expansive mail voting options.

**2. CHAMPION FARMER EQUITY & JUSTICE FOR BLACK FARMERS**

The U.S. is built on a long history of disenfranchisement and land theft, which continues to have significant repercussions today. The legalized enslavement of Black people built the U.S. economy, and yet, with few exceptions, formerly enslaved people and their descendants have seen little of the country’s wealth. In fact, gains in land ownership by Black Southerners following the Civil War were erased over the following century, mostly through threats, violence, and systemic discrimination, including by the U.S. Department of Agriculture (USDA) itself. In 1910, Black farmers accounted for 20 percent of farmers.
by 2017, that number had dropped to 1.3 percent.\textsuperscript{12} Black land ownership has plummeted by 98 percent in the last century, with most of the loss occurring not in the late 1800s, but just since the 1950s.

In the last few years, policy efforts have been introduced at the federal and state levels to address this long legacy of harm. The federal Justice for Black Farmers Act is a landmark proposal that would address access to land, training, credit, and much more for Black and other socially disadvantaged farmers, along with systemic changes to level the playing field for all farmers. State policymakers across the country have drawn on parts of this legislation to craft a variety of state-level reforms. Working toward restorative justice is important in all legislative decisions.

**POLICY PRIORITIES**

1. **Federal: Pass the Justice for Black Farmers Act**, a bill that would establish a federal land grant program to create a new generation of Black farmers, expand access to credit, direct the USDA to end historic discrimination, and create systematic reforms to make farming a profitable opportunity.

2. **State: The Partition of Heirs Property Act** can be an important protection for Black landowners against a forced or predatory sale.

3. **State: Farmer equity legislation**.

4. **State: Black farmer and Black land ownership restoration**.

**STATE EXAMPLES**

Nineteen states have enacted the Partition of Heirs Property Act. **Kentucky** (2021 KY SB 43) is one of several other states considering passage.

**North Carolina** (2021 NC SB 694) and **South Carolina** (2021 SC HB 3543) lawmakers have proposed legislation to restore agricultural land to Black farmers.

**Washington** (2021 WA HB 1395) passed a law directing state agencies to ensure inclusion of historically underrepresented and socially disadvantaged farmers in programming.

**California** (2019 CA AB 986) created a program to provide grants to socially disadvantaged farmers, including Native tribes, to acquire agricultural land.

**Maine** passed a law (2021 ME HP 5) to ensure the inclusion of racial impact statements in the legislative process.

Illinois (2021 IL HB 3089) lawmakers are considering a proposal to require that 20 percent of food purchased by state agencies be produced by socially disadvantaged farmers.

3. ENSURE TRIBAL COMMUNITIES HAVE ACCESS TO RESOURCES

For millennia, Indigenous communities have practiced what we now call regenerative agriculture, alongside traditional hunting and fishing practices. These methods have been enshrined in treaties, alongside promises of support from the U.S. government. Inherent to many of the 370 treaties ratified between tribal nations and the federal government between 1778-1871 is the “federal trust responsibility,” an agreement that the federal government would protect tribal lands and self-government while providing needed support services such as health, education, and agriculture, to ensure tribal success. Centuries of often violent oppression of Native peoples shows that fulfillment of those promises and protection of tribal nations’ rights have been repeatedly broken, resulting in chronic underfunding in Indian country.

A change may be coming in the form of $31 billion recently earmarked in the American Rescue Plan for tribal communities. Like many federal dollars bound for Indian Country, this funding will pass through the states. A clear understanding of the process at the state level and a strong relationship between state and tribal nations makes the process more efficient.

While much about the relationship with tribal nations is conducted at the federal level, states have roles to play in interacting and working with tribal nations within their boundaries, including in facilitating tribal food and land sovereignty and restoration of Indigenous hunting rights. States also play a critical role in recognizing and supporting tribal nations that are not federally recognized so that these tribes can access critical services. The U.S. Departments of Housing and Urban Development, Labor, Education, and Health and Human Services all have the statutory and regulatory authority to provide funding for state-recognized tribes.

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POLICY PRIORITIES

1 Federal: Enact reforms to treat tribal governments with equality and fairness. Provide funding for tribal members to obtain easier access to federal programs and increase available resources for tribal infrastructure and economic development, consistent with the federal trust and treaty responsibility.

2 State: Include tribal communities in state resource-based decision making.

3 State: Ensure tribal access to traditional hunting and gathering. Support tribal nation food sovereignty by removing fee barriers to hunting and fishing licenses and fee-use lands for traditional hunting and fishing activities.

4 State: Provide state-level recognition to tribal nations that are not federally recognized.

5 State: Work with tribal communities to help them access federal funds and resources.

STATE EXAMPLES

Hawaii (2021 HI SB 1410) legislators have introduced efforts to secure rights of Native Hawaiians to engage in customary and traditional subsistence farming, including a bill (2021 HI SB 1319) requiring the state to re-establish loko i’a, the traditional Native Hawaiian fishponds. Hawaii lawmakers also introduced a resolution (2021 HI SCR 221) to urge the city of Honolulu to streamline the permit process for fishpond restoration and passed a resolution (2021 HI SR 185) to include Native participation in coastal planning and management of ecologically fragile coastline habitat using traditional practices.

Washington (2021 WA HB 1117 and HB 1172) embedded food sovereignty into policy on salmon management and recovery and reinforced recognition of traditional hunting and treaty rights for salmon and steelhead.

New Mexico (2021 NM HB 78) introduced a policy to develop traditional hunting and land use management plans for public lands with Indigenous peoples.

States including Montana (2021 MT HB 241), Mississippi (2021 MS HB 867), and Virginia (2020 VA HB 1282) have attempted to support tribal food sovereignty by removing fee barriers to hunting and fishing licenses and fee-use lands for traditional hunting and fishing activities.

Maine (2021 ME LD 1626) legislators are considering a bill to restore tribal self-government to Maine tribes. The legislation, based on recommendations from a bipartisan legislature task force, addresses long-standing issues with a 1980 land claims act that governs state and tribal relationships.
Alaska (2021 AK HB 123) lawmakers are considering legislation to provide state recognition of federally recognized tribes.

Texas (2019 TX HCR 171) and Virginia (2021 VA HJR 572, introduced) have recognized non-federally recognized tribes, allowing them to engage in state-based decision-making processes on land management and natural resource policy.

4. PROTECT RURAL LGBTQ+ RESIDENTS

Although approximately 2.9 to 3.8 million LGBTQ+ (lesbian, gay, bisexual, trans, queer) people live in rural communities in the United States, LGBTQ+ residents in rural areas experience less structural support, fewer legal protections, and overall are subject to more discriminatory policies than their urban and/or non-LGBTQ+ counterparts.

In today’s polarized political and cultural environment, conservative politicians and pundits use LGBTQ+ issues as a wedge issue. Laws that allow businesses to refuse services to someone because of their sexual orientation or gender identity or that deny LGBTQ+ people basic freedoms and choice prey on fear and are designed to be polarizing and distracting. Initiatives like these, including “bathroom bills,” bills regulating trans athletes’ participation in sports, and so-called “religious freedom” bills, must be summarily rejected and/or overturned.

Policymakers should instead ensure that protections for sexual orientation and gender identity/expression are included in their state’s antidiscrimination laws, including in education, employment, housing, and health care. These protections are especially important today; as LGBTQ+ issues are used as a cultural wedge, LGBTQ+ people, including youth, are more vulnerable to discrimination, harassment, or violence.

Beyond these basics, state legislators can proactively support rural LGBTQ+ communities in a variety of ways, from changing old discriminatory laws to efforts to make state agencies more inclusive. For example, more than half of all states do not include both sexual orientation and gender identity in hate

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crime laws,\textsuperscript{23} and in many states, a so-called LGBTQ+ “panic” defense\textsuperscript{24} can still be used in court to explain or excuse an assault on a LGBTQ+ person, up to and including murder. Many states permit “conversion therapy”\textsuperscript{25} to be used on minors, despite consensus in the mental health community that these practices, which attempt to change sexual orientation or gender identity, are harmful or abusive. Decriminalization of HIV and expansion of access to HIV treatment have public health benefits far beyond the LGBTQ+ community. Finally, many states are creating commissions, offices, and state agencies to proactively advise policymakers and executive officials on equitable policies for LGBTQ+ and other marginalized communities.

**POLICY PRIORITIES**

1. **State: Reject anti-LGBTQ+ bills**, including those regulating use of bathrooms, sports participation, and health care and those allowing denial of services to LGBTQ+ individuals.

2. **State: Include sexual orientation and gender identity in state antidiscrimination laws and protections for LGBTQ+ youth and students.**

3. **State: Include sexual orientation and gender identity in hate crime law and ban the LGBTQ+ “panic” defense.**

4. **State: Ban “conversion therapy” for LGBTQ+ minors.**

5. **State: Create cross-sector/agency entities to proactively advise on equitable policies for LGBTQ+ communities.**

**STATE EXAMPLES**

**Hawaii** (2018 HI HB 1489) enacted a bill to establish state school nondiscrimination protections for students on the basis of gender identity, gender expression, or sexual orientation in any educational program or activity.

In **New Mexico** (2019 NM SB 288), legislators enacted a comprehensive anti-bullying law that provides protections for students against bullying based on sexual orientation and gender identity.

**Vermont** (2021 VT HB 128) and **Colorado** (2020 CO HB 1307) have banned the LGBTQ+ “panic” defense.


**Virginia** (2020 VA HB 276) and **Georgia** (2020 GA HB 426) have broadened their hate crime laws to include sexual orientation and gender identity.

**Nebraska** (2021 NE LB 231), **Pennsylvania** (2021 PA HB 729), and **Wisconsin** (2021 WI AB 312), are exploring paths to limit or fully ban “conversion therapy” for LGBTQ+ minors.

**Georgia** (2021 GA SB 164) is considering steps to decriminalize HIV, while **Maine** (2021 ME LD 1115) has expanded access to HIV-prevention drugs.

States including **Kentucky** (2022 KY Bill Request 119) and **Iowa** (2021 IA HF 376) are considering including LGBTQ+ identities in school curricula.

**Vermont** (2021 VT HB 210) formed a Health Equity Advisory Commission, and **Minnesota** (2021 MN HF 1924) proposed a Council on LGBTQI Minnesotans.
PILLAR 2
INVEST IN RURAL COMMUNITIES
PILLAR 2: INVEST IN RURAL COMMUNITIES

The historic economic extraction and lack of federal government investment has left rural communities in a financial hole. The COVID-19 crisis has exacerbated those challenges. Now is the time for policy that invests in rural people and communities.

ONGOING PRIORITIES:

• Invest in critical infrastructure and services, including hospitals, health care, providers, schools, affordable housing, transportation, local government capacity, postal services, legal aid, childcare, paid family leave, rural small business, and local food systems.

• Connect rural businesses, homes, and farms to high-speed, affordable internet.

• Invest in climate change adaptation and mitigation that prioritizes local control and local people.

• Invest in small business and entrepreneurship, not large corporations.

1. FAIRNESS IN FUNDING

According to the most recent estimates from the American Community Survey (ACS), the nonmetro poverty rate was 15.4 percent in 2019, compared to 11.9 percent in metro areas. In addition to a significant portion of the rural population living below the poverty line, many rural families lack access to quality schools, affordable, quality health care, and adequate job opportunities. Even before the COVID-19 pandemic, rural school districts faced persistent staffing problems, and rural educators often have qualification gaps when compared to their urban counterparts. Physician shortages have left a number of rural counties without critical care support; of the 7,200 areas with a health professional shortage, three in five are in rural areas.26 Many rural communities that have long been dependent on a single resource or on one company have suffered because the company has shut down or moved away. This situation has left

many communities with a high unemployment rate and unemployed workers in need of workforce development training. State policymakers should consider funding and investment opportunities to attract rural educators, rural medical providers, sustainable jobs, and workforce development strategies that promote employment opportunities and economic sustainability for rural areas.

POLICY PRIORITIES

1 **Federal:** Implement Rep. Jim Clyburn’s “10-20-30” approach to future funding proposals. Clyburn’s proposal would require that at least 10 percent of any agency’s appropriated programmatic funds be invested in persistent poverty counties where 20 percent or more of the population has been living below the poverty line for the last 30 years. Some federal funding programs already abide by this practice.

2 **State:** Prioritize state funding investments for rural communities.

3 **State:** Appropriate funds to incentivize teachers and health professionals to work in rural communities.

4 **State:** Appropriate funds for loan forgiveness for professionals who commit to working in rural communities.

STATE EXAMPLES

**Colorado** (CO 2016 SB 104) considered a bill that would create multiple programs to incentivize teachers to work in rural districts. They were also hoping to establish a rural educator position in the Department of Education to oversee rural teaching recruitment issues.

**Minnesota** (MN 2016 H 2749) enacted a grant program that provided student teaching stipends for low-income students and grants for licensed teachers who agree to teach in a high-need subject area or geographic region.

**Colorado** (CO 2022 HB 1005) is considering tax incentives to develop and sustain a rural health workforce and medical professional pipeline for rural and frontier communities.

**Iowa** (IA 2021 HB 196) expanded their health care professional loan repayment program for health care professionals in rural areas, while **Maine** (ME 2021 HP 748) is creating a health care fellowship program for underserved rural communities.

**Alabama** (AL 2022 HB 135) is working toward a budget that appropriates state funds to a variety of rural resources, including rural workforce development, rural products marketing, and rural educator recruitment.
In **Florida** (FL 2020 SB 426), the legislature modified funding requirements of the Regional Rural Development grants program to require that grant recipients serve or be located in a rural area of opportunity.

In **Washington**, lawmakers recently right-sized the state’s tax code when they enacted (2021 WA SB 5096), a first-of-its-kind excise tax on capital gains in excess of $250,000. Washington legislators also provided tax relief to lower-income families by funding the state Working Families Tax Credit (2021 WA HB 1297) and expanding it to include immigrant taxpayers who are excluded from the federal Earned Income Tax Credit (EITC).

### 2. ENSURE HEALTH CARE ACCESS FOR ALL

People living in rural communities are more likely to be uninsured, to face barriers to accessing lifesaving health care, and to die from pregnancy-related complications than their nonrural counterparts, due to lack of insurance coverage, affordability, poor access to doctors and hospitals, and workforce shortages. Rural residents face limited insurer options, and in 10 percent of counties across the country – mostly rural counties – residents can only choose from one insurer. Ineligibility and fear of immigration enforcement are added challenges for rural Indigenous and Latino people and noncitizens.

States that have taken advantage of the option to extend Medicaid coverage to adults living below 138 percent of the federal poverty level saw some of the largest health insurance coverage gains among rural adults – threefold faster than rural adults in nonexpansion states. Medicaid and other public programs, like the Children’s Health Insurance Program (CHIP), cover a larger share of people, including small business owners and solo entrepreneurs, in rural areas than in nonrural areas and play a critical role in keeping people healthy while buffering rural communities against hospital closures and provider shortages; these programs can be expanded to cover even more rural residents, including noncitizens.

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Finally, the value of telehealth became clear to everyone during the COVID-19 pandemic; for many rural communities, telehealth is critical even without a pandemic. Although telehealth services are now covered through Medicaid in all 50 states and the District of Columbia, the way that states define telehealth services may continue to leave rural communities behind.33

POLICY PRIORITIES

1 Federal: Pass the Save Rural Hospitals Act, a bill that would preserve access to rural health care by ensuring fairness in Medicare hospital payments, creating opportunities for rural critical care facilities and investing in rural health care services.

2 Federal: Expand, implement, and create rural reforms of Medicaid for poor and working-class families. Expanding Medicaid and increasing Medicare reimbursement rates have been identified by many rural health care advocates as the best way to deliver increased quality of care in rural communities. Additionally, reforms that give easier access to rural people should also be prioritized, such as making family, elder, and disability care reimbursable.

3 Federal: Reduce cost and improve access to prescription drugs for rural people. This includes passing the Lower Drug Costs Now Act and reforming rural-specific programs like 340B to improve rural access, which is urgent.

4 State: Expand and invest in Medicaid and CHIP, including opting in to cover lawfully present immigrant children and pregnant people and extending postpartum Medicaid coverage.

5 State: Create a public health insurance option and/or expand who can participate in the state Medicaid program through a buy-in option.

6 State: Extend coverage for telehealth service and also increase accessibility options to include audio-only telehealth services and translation services.

7 State: Create prescription drug review boards to promote prescription drug affordability, and set allowable rates for certain high-cost drugs identified by the board.

8 State: Expand mental health and addiction services for rural communities.

9 State: Expand scope of practice for advanced practice clinicians, including nurses and physician assistants, to build out the pool of reproductive health care providers in rural areas.

10 State: Remove unnecessary waiting periods and other restrictions on reproductive health services that disproportionately impact patients who are forced to travel long distances, often on multiple occasions, for time-sensitive care.

STATE EXAMPLES

To date, 39 states have expanded Medicaid, while state lawmakers in the remaining states continue to consider expansion, most recently in Alabama (2021 AL HB 432), Kansas (2021 KS HB 2436), and (2021 WY HB 162).

Thirteen states and the District of Columbia have enacted legislation to extend postpartum Medicaid coverage to address the maternal mortality crisis, which disproportionately affects Black, Indigenous, and rural people.

California (2019 CA SB 104) and Connecticut (2021 CT HB 6687) lawmakers approved legislation to extend 12 months of postpartum Medicaid coverage for persons regardless of immigration status.

Lawmakers in some states have extended coverage to certain immigrants regardless of immigration status. In California, children (2015 CA SB 75), young adults (2019 CA SB 104), and adults age 50 and over (2021 CA AB 133) are eligible for Medicaid regardless of immigration status, while a recently passed Oregon bill (2021 OR HB 3352) expanded eligibility to all people regardless of immigration status. Lawmakers in Illinois expanded eligibility to undocumented seniors age 65 and over in the state's (IL FY 2021) budget, while Vermont legislators extended coverage to undocumented children and pregnant people (2021 VT H 430).

Lawmakers in Colorado (2021 CO HB 1232), Nevada (2021 NV SB 420), Oregon (2021 OR HB 2010), and Washington (2019 WA SB 5526) have approved legislation to create some version of a public health insurance option, while legislators in Hawaii (2019 HI SB 330) and New Jersey (2021 NJ S 3798) have enacted bills to allow more residents to participate in the state Medicaid program through a buy-in option.

Many states limit insurance reimbursement to video telehealth visits, which may be a barrier for rural communities with limited internet access, while interpreter services are not reimbursable through Medicaid in some states. Lawmakers in Arizona (2021 AZ HB 2454), Delaware (2021 DE HB 160), and Rhode Island (2021 RI H 6032) enacted legislation to allow for coverage of audio-only telehealth services. A bill introduced in Massachusetts (2021 MA S 678) aimed to require Medicaid reimbursement and private health insurance

coverage of telehealth interpreter services for patients with limited English proficiency and those who are deaf or hard of hearing.

A growing number of states, including Oregon (2019 OR HB 2696) and Massachusetts (2019 MA H 1193), are considering legislation to create prescription drug affordability review boards.

In Minnesota, lawmakers enacted legislation (2021 MN SF 37/HF 33) that expanded eligibility for the state’s Health Professional Education Loan Forgiveness Program to include alcohol and drug counselors who agree to practice in designated rural areas or underserved urban communities. Legislation in New York (2021 NY AB 5220/SB 2664) would create a student loan forgiveness program for nurses working in rural psychiatric hospitals/units, addiction treatment centers, behavioral clinics, or county mental health programs. A bill introduced in New Mexico (2022 NM HB 17) would provide a $3,000 income tax credit to mental health professionals who work in a “rural health care underserved area.”

Lawmakers in California (2020 CA SB 855), Illinois (2021 IL HB 2595), and Oregon (2021 OR HB 3046) have passed legislation to expand the mental health or substance use disorders that health insurers must provide coverage for. In Colorado (2019 CO HB 1168), lawmakers enacted legislation creating a reinsurance program to encourage increased insurer participation in rural areas by offsetting high-cost insurance claims at a higher level in rural counties.

Legislation enacted in Kansas (2021 KS HB 2208) provides for the certification of community mental health centers as community behavioral health clinics and establishes a Medicaid-based payment system to fund these clinics. New Mexico (2021 NM SB 398) legislators introduced a bill to establish a mobile rural health units program to provide health services and substance use disorder recovery services in some rural counties.

3. BUILDING OUT BROADBAND RELIABILITY AND ACCESS

In 2022, over one in five rural Americans do not have a broadband internet connection at home, and access to high-speed internet is a major problem for 24 percent of rural adults. The rate of connectivity in Indian Country also lags behind the rest of the country. As of December 2018, only 60 percent of tribal lands in the lower 48 states had high-speed internet access. Increasing access to reliable and fast broadband internet creates a positive ripple effect for rural

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communities, providing better opportunities for sustainable remote education and work and allowing families to build a better life.

State legislatures have taken steps to address the broadband gap by developing ambitious and measurable goals, centralized planning processes, and multistakeholder coordination to build community-level capacity to plan broadband projects. All 50 states have created an organizing body or authority to plan and deploy broadband expansion projects. As states develop their plans, they should not rely solely on data from the Federal Communications Commission (FCC), as the agency significantly overcounts broadband access.

The most economical choice to ensure adequate bandwidth for the long term is investment in bringing fiber-optic cable directly to homes and small businesses. States can also implement “dig once” policies to link transportation and telecom projects, and invest in “last mile” infrastructure.

Some states have taken steps to expand broadband development beyond the telecom industry through municipal broadband. Allowing players such as municipalities, muni electrics, and electric co-ops to deploy and own broadband infrastructure will expand service options. However, this expansion has long been subject to preemption laws: as many as 20 states have had laws complicating or banning municipally owned broadband networks. Currently, 17 states have such laws. Another area to be aware of is ensuring projects are not delayed by pole owners who may be resistant to new competition.

**POLICY PRIORITIES**

1 **Federal:** Pass the Accessible, Affordable Internet for All Act, a $100 billion comprehensive bill to expand high-speed internet to all communities. This includes massive infrastructure spending to deploy fiber-optic cable, requirements for affordable plan options, and the expansion of public internet options, such as on school buses.

2 **State:** Study who has access to broadband, including available speeds and at what costs.

3 **State:** Incentivize broadband infrastructure through “dig once” policies and financing “last-mile” construction.

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4 State: Remove preemptions to municipal broadband, allowing rural communities greater control in meeting their rural broadband infrastructure needs.

STATE EXAMPLES

Minnesota (2016 MN HF 2749) developed specific goals for broadband internet access with download and upload speed targets. And with the worst access to broadband, West Virginia (2017 WV HB 3093) has taken steps to address that by creating a broadband enhancement council to gather data and explore ways to expand broadband access, which has led to the recent development of a billion-dollar broadband strategy.

Legislation enacted in Nevada (2017 NV SB 53) requires the state’s Department of Transportation to coordinate with telecom providers.

Minnesota (2014 MN HF 3172) created a “border-to-border broadband development” grant program and seeded it with $20 million to fund middle-mile and last-mile broadband infrastructure in unserved and underserved areas of the state. State lawmakers passed another bill (2016 MN HF 2749) to appropriate another $35 million to the program, with a $500,000 carveout to fund projects in low-income communities. California (2021 CA SB 156) enacted legislation that sets the structure and framework for the construction of $3.25 billion in state-owned, open-access, middle-mile broadband infrastructure in rural and urban areas of the state to maximize reductions in the number of households unserved by broadband internet services.

Tennessee (2017 TN SB 1215) authorized electric cooperatives to provide broadband internet services.

Arkansas (2019 AR SB 150) passed legislation to authorize local governments, in partnership with private entities, to deploy municipal broadband to unserved areas. State legislators in Arkansas (2021 AR SB 74) later enacted a bill to more broadly authorize municipal broadband. Enacted legislation in Washington (2021 WA HB 1336) recently expanded municipal broadband powers beyond first-class cities to second-class cities, towns, counties, and public utility districts. Introduced legislation in Michigan (2021 MI HB 5037) would add “construction, improvement, and maintenance of communications infrastructure, including broadband and high-speed internet” to the list of local improvement projects that a township board can fund through a bond issuance and a special property tax assessment.

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The Arizona (2019 AZ SB 1548) legislature appropriated $3 million to create the Rural Broadband Development Grant, which supports the planning and deployment of broadband and is available to rural governments, federally recognized tribes located in Arizona, economic development nonprofits, and for-profits with at least a five-year history in telecommunications.

In 2015, Maine (2015 ME LD 1185) created the Municipal Gigabit Broadband Network Access Fund, a nonlapsing, revolving fund to provide grants to communities, regional partnerships, and municipalities to support broadband development through public-private partnerships. This Maine law was most recently amended (2021 ME LD 1432) to include groups of municipalities as applicants and to allow construction or expansion of open-access broadband networks as an eligible use of the grant funds.

4. INVEST IN A CLEAN ENERGY TRANSITION FOR RURAL COMMUNITIES

Climate change poses a grave danger to rural communities. Fires, floods, and droughts, rising temperatures, and extreme weather pose a physical danger and disrupt rural economies. Transitioning to clean energy will reduce carbon emissions, create clean energy jobs, and lower energy costs for consumers, small businesses, and municipal governments.

An initial step for many states to transition to clean energy is to develop clean energy production targets and greenhouse gas emission limits. Many states have enacted renewable portfolio standards to set targets for renewable energy production and/or net zero greenhouse gas emissions. Access to clean energy and grid resilience can be a challenge for rural communities if the grid infrastructure is lacking or too dependent on a single source. To address this and to support rural electric cooperatives, states have begun to develop microgrids, which can store and distribute energy during a grid outage. Rural areas often face greater challenges for clean energy investments, but states can create green banks to address the financing needs of rural clean energy and energy efficiency projects. Some states have also used tax credits to promote clean energy adoption.

44 Harvey, Morgan. “Are Microgrids the Answer to Helping Rural Areas Be More Sustainable?” Sustainable America, 10 May 2021, https://sustainableamerica.org/blog/are-microgrids-the-answer-to-helping-rural-areas-be-more-sustainable/.
In order to move toward a 100 percent clean energy economy, policymakers must prioritize environmental justice for frontline communities and a just transition for impacted workers. Socially disadvantaged members of rural communities are often the most impacted by the environmental hazards from extractive industries.\(^47\) Environmental justice requires that all members of rural communities are protected.

For too long, the many harms of the fossil fuel industry have fallen the hardest on communities of color and rural communities.\(^48\) State lawmakers can establish rules to hold fossil fuel companies accountable and to ensure that corporate polluters – not taxpayers – pay for hazardous cleanups or the safe closure of facilities.

**POLICY PRIORITIES**

1. **Federal:** Pass coal transition legislation that takes meaningful action on the 7 Pillars of the National Economic Transition Platform. The platform identifies important actions to create a just transition, reclaim mine land, and build economic opportunities in communities dependent on coal, including a call to pass the RECLAIM Act.

2. **Federal:** Pass $100 billion in appropriations for federally insured Hardship Loans from the USDA Rural Utilities Service, with conditions for loan forgiveness based on retirement of fossil-fueled power plants and documentation of new investments. These appropriations would facilitate the retirement of a huge majority of 300 rural electric cooperative fossil-fueled power plants currently in operation. In exchange for debt forgiveness, rural electric cooperatives will make equal investment in clean energy, distributed energy resources, energy efficiency, high-speed broadband, storage, and electric transportation.

3. **State:** Enact bold renewable portfolio standards with environmental justice requirements.

4. **State:** Support expanding the energy grid with green energy infrastructure.

5. **State:** Direct financing toward green energy projects and eliminate tax credits for dirty energy projects.

6. **State:** Hold oil and gas polluters accountable, and be mindful of false green energy solutions, such as biogas or methane digestors that process animal waste.

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STATE EXAMPLES

**Massachusetts** (2021 MA SB 9) recently set a net zero greenhouse gas emissions limit by 2050.

**Colorado** (2021 CO SB 264) recently established clean heat targets to reduce carbon dioxide and methane emissions from gas distribution utilities, with a “significant potential to reduce emissions of methane from active and inactive coal mines, landfills, wastewater treatment plants, agricultural operations, and other sources of methane pollution through development of methane recovery and biomethane projects.”

**Colorado** (2019 CO HB 1314) has taken steps to plan for the transition of coal workers by creating a just transition office to develop education and training programs and a just transition advisory committee to draft recommendations to share with the governor and legislature.

A recently passed constitutional amendment in **New York** (2021 NY Prop 2) added the “right to clean water, clean air, and a healthful environment to the New York Constitution’s Bill of Rights.” **New York** (2019 NY SB 6599) has taken additional steps to address environmental justice, including the New York State Climate Leadership and Community Protection Act, which requires state agencies to follow equity-based programmatic and investment goals.

**California** (2018 CA SB 1339) and **Hawaii** (2018 HI HB 2110) have established service tariffs to compensate microgrid owners for use of their stored energy, and **Connecticut** law (CT Statutes § 16-243y) created a microgrid and resilience grant and loan pilot program. Recently enacted legislation in **Maine** (2021 ME LD 1053) creates a section within the state’s public utilities statutes for the regulation of microgrid, and **Minnesota** (2021 MN HF 6) recently allocated funds to a university microgrid research center for research and development of near-commercial microgrid products.

**Connecticut** (2011 CT SB 1243) was the first state to create a green bank, and a new **Connecticut** law (2021 CT HB 6441) expands the types of projects that the Connecticut Green Bank can promote investment in to include environmental infrastructure projects related to water, waste, and recycling, climate adaptation and resilient agriculture, land conservation, and parks and recreation.

**Michigan** (MI No. 2019-14), via executive order, established a task force that, among other things, was directed to assess the Upper Peninsula’s energy needs, with a focus on security, reliability, affordability, and environmental soundness.

Recently enacted legislation in **Virginia** (2021 VA HB 1919) authorizes localities to establish green banks.
**Illinois** legislation (2021 IL SB 2408) directs the Illinois Climate Bank to accelerate investment in clean energy projects that reflect the diversity of the state, including emphasis on racial, gender, and income diversity.

**Maryland** (2020 MD HB 980) recently increased the maximum tax credit for commercial energy storage systems from $75K to $150K.

**Iowa** (2015 IA HF 645) pegged their solar installation tax credit to 50 percent of the federal energy credit, with a maximum commercial tax credit of $20K.

Although now expired, **Colorado** (2015 CO HB 1219) created an enterprise zone investment tax credit of up to $750K for renewable energy investments, including from biomass, coal mine methane, and standard renewable energy resources. **Oregon** (2011 OR HB 3672) created a tax credit for renewable energy, which has since expired, that included “biomass, solar, geothermal, hydroelectric, wind, landfill gas, biogas or wave, tidal or ocean thermal energy technology.”

In **Colorado** (2019 CO SB 181), lawmakers strengthened regulatory authority over oil and gas operations, including requiring that operators install continuous monitoring equipment for hazardous air pollution and new local government permitting requirements. The new law also requires the state regulatory agency to adopt new rules that would increase the financial assurances required of operators to cover future cleanup costs.

**California** recently passed a bill (2021 CA SB 158) to increase accountability for environmental waste cleanups by establishing an ombudsperson to receive and respond to public complaints, increasing financial assurance requirements for entities that handle hazardous waste, and establishing an Impacted Community Grant program to fund community efforts to respond to and independently examine contaminated sites.

Legislation enacted by **Illinois** (2019 IL SB 9) lawmakers created new protections against coal ash polluters, including establishing financial assurance requirements for closure and cleanups and creating new standards for meaningful community participation in decision making processes.

5. **ADDRESS THE AFFORDABLE HOUSING CRISIS IN RURAL COMMUNITIES**

Many rural communities are facing a severe housing crisis: nearly 1 in 5 rural renters spend more than 50 percent of their income on housing, while limited housing stock often means rural renters often have little choice but to live in
PILLAR 2: INVEST IN RURAL COMMUNITIES

substandard conditions.49 Rural renters, especially rural Indigenous and Latino people, are more likely to live in overcrowded housing or housing without adequate plumbing or complete kitchen facilities.

Manufactured or mobile homes are an important source of housing stock for many rural areas, with over half of all mobile homes in the country located in rural communities. Many owners of mobile homes own their home but not the land on which it sits, leaving them vulnerable to displacement or excessive rent increases by landowners.50

In many states, mobile home residents are not afforded basic tenant rights protections; state lawmakers can ensure that tenant rights apply to mobile home parks. In recent years, private investment firms have increasingly looked to mobile home parks as lucrative “passive investments,” but these new owners often dramatically increase rents, add fees, slash amenities, and increase evictions.51 Some states have passed laws allowing mobile home residents to make a counteroffer to any sale offer of the mobile home park. Housing advocates say that these provisions could go further, including with a mandate that the residents have access to all the same information as other potential buyers.52

Farmworkers are one particular group of rural residents often facing a housing crisis. Farmworker housing conditions are often overcrowded and unsanitary, and located in rural areas without public transportation and with poor access to fresh food, health clinics, or social services.53 Living in isolated areas with limited housing supply and being provided housing by their employer are additional factors that put farmworkers at risk of being overcharged for unsafe housing.

POLICY PRIORITIES

1 Federal: Pass the Housing is Infrastructure Act of 2021, a bill that would invest billions in rural single and multifamily housing projects. Additionally, it provides $100 million in rural, elderly aging-in-place grants and additional resources for disability housing.

2 Federal: Expand the USDA’s Home Repair Program. The USDA Rural Housing Service’s Home Repair Program is dramatically underfunded compared with the need to improve housing quality in rural communities. More


funding for the Home Repair program would be instantly leveraged by the financing instruments available to add energy systems and efficiency upgrades to low-income rural homes.

3 State: Fund programs for home purchase for low- and moderate-income people.

4 State: Fund programs for home repair for low-income homeowners and units rented to low-income residents at affordable rents.

5 State: Support residents of mobile homes by allowing owners to title their property as real property in a cooperative or nonprofit-owned community.

6 State: Ensure that tenant rights provisions apply to residents of mobile home parks.

7 State: Fund grants for developers to develop and rehab affordable housing in rural areas, with incentives for small-scale development in line with local planning priorities.

8 State: Establish tenants rights and protections, as well as legal services for tenants.

9 State: Establish emergency funds and services for tenants who need short-term assistance to stay in their homes.

STATE EXAMPLES

Lawmakers in Nebraska (2017 NE LB 518) enacted the Rural Workforce Housing Investment Act, which provides grants to nonprofit development organizations for the development of affordable owner-occupied and rental housing projects in rural communities with housing and workforce shortages.

A Washington (2017 WA SB 5647) bill established the Low-Income Home Rehabilitation Revolving Loan Program, which provides low-income rural homeowners with loans to make repairs that address the health, safety, and durability of their homes, with priority given to senior citizens, people with disabilities, families with young children, and veterans.

A housing omnibus bill enacted in Minnesota (2021 MN HF 4) reforms titling for manufactured homes by allowing owners to title their property as real property instead of personal property in a cooperative or nonprofit-owned community. The bill also expanded eligibility for an existing rehabilitation loan program for low-income homeowners to owners of manufactured homes and appropriated new funding to support the redevelopment of manufactured home communities.

Colorado (2020 CO HB 1201) passed a bill requiring that homeowners in a mo-
bile home park be given the opportunity to purchase the park if the landlord anticipates selling it.

Iowa (2020 IA SF 2238) lawmakers proposed a bill to extend key tenant protections to owners of mobile homes living in mobile home parks, including mandating “good cause” for evictions and 180 days’ notice before rent increases went into effect. Rent increases would also not be allowed to exceed the local inflation rate unless there was a legitimate reason.

California (2019 CA AB 1783) passed a bill reforming a state program that supports the development of farmworker housing projects. Projects developed through the program now must be designed for use by a single family or household, and the development must meet certain environmental requirements. Additionally, employers are prohibited from serving as landlords, and property management is limited to nonprofit or public affordable housing organizations.

6. SUPPORT SMALL BUSINESS AND RURAL MAIN STREET

Long before the COVID-19 pandemic ravaged small businesses across the country, rural Main Streets were struggling. Rural populations have declined as small farms closed or consolidated; manufacturers moved overseas; and mining, timber, and other extractive industries dried up. Around rural town centers, new extractive industries moved in: dollar stores, superstores, and national chains offering low prices to undercut local downtown businesses and putting even more of them out of business.54 52 percent of a dollar spent at locally owned businesses recirculates in the region and builds the tax base, while profits from chain stores flow out to corporate headquarters, with only 16 percent of revenue staying in the local community.55 Supporting workforce training and business services in “distressed” communities helps to grow small businesses and an entrepreneurial ecosystem of independently owned local businesses.56

State policymakers can support rural Main Streets in a variety of ways.57 Enacting a state version of the federal Startup Opportunity Accelerator Act would support rural entrepreneurs and build entrepreneurial ecosystems through investment in startup accelerators and incubators in rural, low-income, and other underserved communities. There are also opportunities for business development paired with strategies to address other community needs, such as lack of

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54 For more information on fighting monopoly power in rural communities, see: “Small Business.” Institute for Local Self-Reliance, 24 July 2020, https://ilsr.org/fighting-monopoly-power/small-business/.


affordable healthy food.58

POLICY PRIORITIES

1 Federal: Pass the Rebuild Rural America Act, a bill that would expand rural economic development and job creations. The bill establishes a $50 billion grant fund, creates federal training and technical support, establishes a state-by-state rural innovation and partnership administration to coordinate efforts, and creates a Rural Future Corps to support essential development.

2 Federal: Overhaul the U.S. Small Business Administration (SBA) to better support new and growing businesses, especially those in rural areas, the very small, and those owned by women and people of color. This means shifting a significant share of the SBA’s loan programs to finance independent entrepreneurs in communities that have been left behind and rethinking SBA’s training programs to better serve rural and minority entrepreneurs. SBA’s Office of Advocacy should also be transformed to provide analysis and advocacy on the most pressing policy issues hindering independent businesses, including unchecked monopoly power and policies that spur corporate consolidation.

3 Federal: Reform federal procurement and contracting. Procurement should not only include “Buy American,” but also “Buy local,” “Buy rural,” and “Buy from independent small business” initiatives that channel the procurement power of government spending to create rural opportunities. In addition, “stewardship contracting” should be mandatory where possible to promote local business and economic development.

4 State: Pass legislation similar to the Startup Opportunity Accelerator Act.

5 State: Address access to healthy foods by boosting small businesses.

6 State: Provide affordable access to capital to the smallest businesses, even those with lower credit scores, through allocating more funding to Community Development Financial Institutions.

7 State: Pass truth in lending laws to regulate online small business lending and discourage predatory lending practices, particularly toward entrepreneurs of color and women.

STATE EXAMPLES

New Jersey (2020 NJ AB 2595) legislators are considering a bill that would authorize political subdivisions to require recipients of economic development

incentives to enter into community benefits agreements that support local small businesses.

**Texas** (2021 TX HB 4054) lawmakers introduced a bill that would establish a community development grocery store grant program to provide grants to businesses proposing to operate a grocery store in a food desert. To be eligible for grant funds, businesses would be required to provide health insurance benefits and a prevailing wage to workers.

Legislators in **Missouri** (2021 MO SB 188) introduced a bill that would establish a tax credit for expenses incurred in establishing a grocery store in a food desert.

In **California** (2018 CA SB 1235), legislators enacted a bill that would protect small businesses against predatory lending practices by creating new loan disclosure requirements for commercial loans, including nonbank and online lenders. **New York** (2020 NY S 5470/A 10118) lawmakers passed similar legislation to establish disclosure requirements for commercial loans provided by traditional and nontraditional lenders, including online lenders, and to establish financial penalties for violations of the new law.

### 7. CREATE EQUITABLE ACCESS TO LICENSING

Rural business owners create employment opportunities and generate critical economic activity. New rural business owners today are likely to be immigrants, formerly incarcerated people, or others who may face obstacles as they apply for the licenses they need to run their business. Barriers to obtaining both business and driver’s licenses can limit the success of aspiring entrepreneurs.

State lawmakers can address these challenges in several ways. They can create pathways for immigrants to get the resources and support needed to create, maintain, and grow their businesses, regardless of immigration status. Some states have begun to make occupational licenses and loans easier for formerly incarcerated individuals to obtain, but restrictions still vary widely. Some industries dominated by people of color still have excessive licensing or fee requirements; policymakers can seek to reduce these requirements.

Finally, in rural areas, the most important license for a new business owner to be assured of may be a reliable driver’s license, without which they cannot

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even get to their place of business. State policymakers can make driver’s licenses available to all state residents, regardless of citizenship or legal status.

**POLICY PRIORITIES**

1. **State:** Ensure business and professional licenses and permits are accessible to people regardless of immigration status or former incarceration.

2. **State:** Remove excessive requirements, training, and fees to obtain business licenses, particularly in industries with large numbers of women and people of color.

3. **State:** Allow all state residents to apply for a driver’s license regardless of citizenship or legal status.

**STATE EXAMPLES**

**Nevada** (2019 NV AB 275) legislators enacted a bill that repealed citizenship requirements for all professional licenses and prohibits state licensing boards from denying an applicant based on their immigration status.

**Colorado** (2021 CO SB 199) lawmakers repealed a law\(^{62}\) that prohibited individuals from receiving a professional or commercial license without verification of lawful presence in the country. The bill also repealed a law that prohibited state agencies or political subdivisions from contracting with a contractor that knowingly employs or contracts undocumented persons.

**Indiana** (2018 IN HB 1245) legislation requires state and local licensing agencies and bodies to explicitly list the crimes that disqualify an individual from an occupational license and to show that these crimes directly relate to the responsibilities of the occupation itself. Before disqualifying an applicant, the licensing agency is also required to consider the nature and seriousness of the crime, how long ago it was committed, and evidence of rehabilitation or treatment of the applicant.

**Missouri** (2018 MO HB 1500) passed a bill to cut regulations for businesses offering ethnic hair braiding. Previously, hair braiders were required to complete hundreds of hours of training and pay high licensing fees that were disproportionate to the activity.

**Michigan** (2021 MI HB 4835 and HB 4836) is proposing to provide noncommercial driver’s licenses or state personal ID cards to individuals who are unable to provide documents verifying their identity and legal presence in the U.S. The bills would also prohibit discrimination against an individual who holds this type of license or ID.

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New York’s Green Light Law⁶³ (NY 2019 NY A03675, S0174) allows New Yorkers age 16 and older to apply for a standard noncommercial driver’s license regardless of their citizenship or lawful status in the U.S.

8. EXPAND SUPPORT FOR REGIONAL FOOD ECONOMIES

Food policy councils or advisory boards can help to coordinate efforts across agencies and between states and the federal government, which can bolster sustainable agriculture and food networks across the country.⁶⁴ States can significantly increase demand for local food through procurement policies, whether directly through procurement requirements by state-run agencies or incentives for institutions run by other entities.

Another way that states are expanding access to local food is through increasing use of Supplemental Nutrition Assistance Program (SNAP) funds through Electronic Benefit Transfer (EBT) cards used at farmers markets. SNAP benefits are paid for entirely by federal funds, though administrative costs are shared equally between the federal and state governments. States must appropriate funds to establish and administer programs to accept EBT at farmers markets. These authorizations and appropriations often must be extended in order to maintain the program; some states have failed to do so and have lost the ability to accept EBT at markets. At least 29 states have a version of Double Up Food Bucks,⁶⁵ a 2-for-1 farmers market matching program for produce started by the Michigan-based Fair Food Network and now adopted and adapted around the country.

POLICY PRIORITIES

1 Federal: Increase the budget tenfold for existing programs that support local and regional food systems, and establish priority community set-asides. Programs like the Local Agriculture Marketing Program (LAMP), small-scale meat processing grants, and community food system projects are critical investments for food system resilience and are severely underfunded. Additionally, funds are often distributed by competitive grants, forcing those with little grant-writing experience but high levels of need to compete with organizations that have much more capacity. Priority areas are crucial for ensuring that historically underserved communities share in the opportunity.

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2. State: Create food policy councils or advisory boards to coordinate and oversee regional food economy efforts.


4. State: Increase use of Supplemental Nutrition Assistance Program (SNAP) at farmers markets.

5. State: Supplement and match spending of low-income consumers at farmers markets.

STATE EXAMPLES

Maryland (2021 MD SB 723) is one of the newest states to consider legislation to create a state food council, particularly in light of the COVID-19 pandemic.

California (2021 CA AB 778) and Hawaii (2021 HI SB 1251) have made efforts to establish benchmarks for procurement of local products in schools; New York (2018 NY SB 7503/AB 9503) did the same through its budget process. New York’s budget also incentivized the benchmark by offering a higher school lunch reimbursement rate for districts that sourced 30 percent local food.

Maine’s (2018 ME LD 1584) comprehensive local foods economy bill increased access and consumption of local foods by expanding use of SNAP funds at farmers markets.

Oregon (2019 OR HB 2579) expanded the farm-to-school grant program. Michigan (2019 MI SB 927) expanded their 10 cents per meal program to reimburse schools for local food purchasing, and Hawaii (2021 HI SB 1316) has legislation to establish an agricultural production tax credit for growers who produce at least 50 percent of food crops for local consumption.

There are also opportunities in local procurement policy to increase farmer equity, such as a 2021 Illinois bill (2021 IL HB 3089) that would have required that 20 percent of state-purchased food come from local socially disadvantaged farmers.

In Oregon (2019 OR SB 727), legislators partnered with advocates to propose an appropriation of state funds to expand their Double Up Food Bucks program. Using COVID-19 as an impetus, Hawaii (2021 HI SB 512) expanded their Double Up Food Bucks program past the $10 matched limit; this is just one of many ways the program can be adapted.

9. EXPAND ACCESS TO CREDIT FOR FARM BUSINESSES

Farming is a profession that relies heavily on credit – not just when a farmer starts their business but at the beginning of every season, when they must pay for their seed, feed, and other inputs. Depending on their business, the farmer may not see return on their investment for many months, until it is time for harvest. Reliable access to credit on good terms is critical to farmer livelihoods. Rural economic downturns and overall bank consolidation has made credit access more challenging for most producers; for young or beginning farmers, farmers of color, and other socially disadvantaged farmers, credit access has long been unreliable.

Commercial banks offer the majority of loans to farmers, but as banks have become more risk-averse, they have become less willing to lend to farmers, particularly those who have fewer assets or who are just starting out. The two other primary sources of farm credit are Farm Credit and the USDA Farm Service Agency (FSA), and much about farm credit is determined in the credit title of the federal farm bill.

To expand the options for available farm loans, state legislatures have developed and funded a variety of farm lending programs, including direct farm loans, Aggie Bonds that offer lower rates to beginning farmers than a commercial farm loan, and other specialized loan and finance programs. Some states have created farm loan guarantee programs backed by small bond issues; local lenders receive up to 85 percent guarantee of principal and interest. Similarly, loan participation programs in some states help low-equity farmers and ranchers obtain farm loans, as the state provides a partial guarantee of repayment by purchasing part of the loan from the local lender.

Finally, beginning during the 1980s farm crisis, a number of farm states created programs to assist farmers who were suddenly struggling with debt due to inflation and a drop in land values, which were unforeseen factors entirely out of their control. Many farmers today are finding themselves in debt for similar reasons; state-financed debt mediation programs can help.

**POLICY PRIORITIES**

1. **Federal: Reform and invest in the rural credit system.** Strategic reforms, including requiring the Farm Credit System to place a portion of profits in a community mandate fund for grants and loans to support rural small business, midtier food system businesses and young, beginning, or historically underserved farmers and ranchers, are critical.

2. **Federal: Support the Young and Beginning Farmers Act (H.R. 4201)**

3. **State: Develop or expand Aggie Bonds, guaranteed loans, direct loans,**

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loan participation programs, and similar initiatives.

4 State: Assist farmers in credit mediation and addressing ongoing debt challenges.

STATE EXAMPLES

Oregon (Stat. Chap. 23 Div. 52) is one of nearly 20 states with an Aggie Bond program.

Minnesota’s Farmer-Lender Mediation Program, authorized in 1986, has been extended many times, including during the COVID-19 pandemic (2019 MN HF 4599).

10. SUPPORT EQUITABLE ACCESS TO FARMLAND

About 400 million acres of farmland in the U.S. will change hands in the next decade as the current generation of farmers and landowners retires. How this transition takes place will dramatically impact rural viability, our response to the climate crisis, and our ability to continue to feed ourselves. For many farmers, especially young, beginning, and immigrant farmers and farmers of color, land access is a major barrier, as farmland prices nearly doubled from 2005 to 2019\(^68\) and over 2,000 acres in the U.S. convert to non-farm use every day.\(^69\)

Numerous pressures are driving up land prices and increasing farmland inaccessibility; one factor has been the entrance of new players in the market. As farms and agricultural businesses have grown, corporations and other large entities have become major buyers, making it nearly impossible for smaller, less-capitalized farmers to compete. Additionally, since the 2008 financial crisis, financial companies, institutions, and pension funds have been buying farmland as an investment.\(^70\)

There are a number of ways that state policymakers can address these challenges and make farmland more accessible to new farmers and others who have historically been excluded from land ownership. (Also see Pillar 1.2: Champion Farmer Equity on this topic.) Most directly, easements and tax exemptions to keep high-value farmland from development can incentivize landowners to transfer their land in a way that will keep it in farming. Poli-

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Cymakers can support farm incubation programs, which train new farmers and often work with older farmers to transition their land to the next generation. Any of these initiatives can be designed to expand availability to new and immigrant farmers and farmers of color.

More broadly, states can address the corporatization of farmland, including by preventing foreign companies and corporations from owning or leasing agricultural land. Following the 1920s farm crisis, North Dakota passed a law prohibiting corporations and foreign countries from owning farmland. The law has remained largely intact over the years, preventing many agribusiness corporations from snapping up the state’s land. Oklahoma’s constitution similarly prohibits foreign corporations from engaging in or owning or leasing farming or ranching operations and prohibits all corporations from real estate transactions outside of cities or towns.

Native communities face an additional barrier to land access, as privatization and some conservation actions have blocked many tribes from access to land for hunting, fishing, foraging, or other traditional activities. Lawmakers can also ensure that Native peoples have access to traditional grounds for traditional activities, particularly on state lands.

**POLICY PRIORITIES**

1. **Federal:** Support the Young and Beginning Farmers Act (H.R. 4201)

2. **Federal:** Expand the Public Service Loan Forgiveness Program to include farming to encourage young people to go into agriculture and recognize the service that farming provides.

3. **State:** Protect productive farmland through statewide and regional land use planning and supporting access to public lands for farmers.

4. **State:** Provide state support for permanent farmland protections such as working farm easements.

5. **State:** Fund farm incubators and land link programs, with a priority for initiatives led by farmers of color.

6. **State:** Provide income tax and capital gains exemptions for land sale or lease into working farm easements.

7. **State:** Allow Native peoples access to state lands for traditional activities of hunting and gathering of foods and medicine.

8. **State:** Restrict or prohibit corporate ownership of farmland.

**STATE EXAMPLES**
California (2019 CA AB-986) considered a bill to provide grant funding to eligible conservation entities to protect farmland from development, facilitate sales or long-term leases to farmers of color, and provide assistance for down payment costs and infrastructure improvement.

States like Iowa (2021 IA HF 694) and Michigan (2021 MI SB 697) have considered a tax credit for agricultural-asset holders who lease agriculture assets to young and beginning farmers.

Minnesota (2021 MN HF 1524) appropriated funding in the Department of Agriculture budget for farm transition teams to provide services like technical assistance to young and beginning farmers.

North Carolina (2012 NC HB 737) prioritized new and beginning farmers and socially disadvantaged farmers in a cost share program to help farmers access agricultural markets.

Illinois (2021 IL SR 168) passed a resolution calling on Congress to expand the Public Service Loan Forgiveness Program to include farming as an applicable career for loan forgiveness.

Missouri (2021 MO SB 243) is proposing retightening restrictions on foreign ownership of farmland. The previous limits were changed in 2013 when Smithfield, which owns many assets in the state, was purchased by Chinese-owned WH Group.\(^71\)

A North Dakota (N.D. Cent. Code § 10-06.1-02) statute prohibits corporations and foreign countries from owning farmland in the state.

The Oklahoma constitution (OK Const. Art. 22, § 1) prohibits foreign corporations from engaging in or owning or leasing farming or ranching operations and prohibits all corporations from real estate transactions outside of cities or towns.

II. SUPPORT AGRICULTURE AND WORKER COOPERATIVES

Cooperatives play an important role in U.S. history, in agriculture and beyond. Historically, they served to address general economic problems of under- or overproduction, business uncertainty, and excessive costs, while giving more control of resources to those who produce them. Cooperatives continue to be a tool to support fair economic development and growth in rural communities.

There are several types of cooperatives, and nearly any business or other relationship can be established as a cooperative.\(^72\) Financial and farmer coopera-

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tives that support agricultural producers are well-established, and some states are exploring ways to expand worker cooperatives to support economic recovery,\textsuperscript{73} build community wealth,\textsuperscript{74} strengthen retirement security,\textsuperscript{75} improve job satisfaction,\textsuperscript{76} and ensure that rural businesses continue following an ownership transition.

**POLICY PRIORITIES**

1. **State:** Recognize, establish, and support producer and worker cooperatives.
2. **State:** Provide financial incentives and opportunities for cooperative development.

**STATE EXAMPLES**

**Colorado,** often seen as a model for cooperative incorporation, has statutory language on renewable energy cooperatives (Colo. Rev. Stat. § 7-56-210), health care coverage cooperatives (Colo. Rev. Stat. § 10-16-1004), and uniform limited cooperative associations (Colo. Rev. Stat. § 7-58-104).

**California** (2015 CA AB 816), **Illinois** (2019 IL HB 3663), **Massachusetts** (MA Gen. Laws Chapter 157A), **Nevada** (2019 NV AB 432), and **Virginia** (2020 VA HB 55) have passed legislation to effectively recognize and establish worker cooperatives as a distinct category of cooperative associations.

Some states have expanded membership eligibility. A bill passed in **Connecticut** (2018 CT HB 5442) allows a nonprofit corporation to become a member of a worker cooperative and to serve on the cooperative’s board, and a bill in **New York** (2021 NY SB S 6394) would have added microbusiness worker cooperatives with five or fewer full-time employees to the list of eligible worker cooperatives to receive financial assistance.

**Colorado** (2021 CO HB 1311) recently created a temporary income tax credit for the transaction costs to convert the business to a worker-owned cooperative, an employee stock ownership plan (ESOP), or an employee ownership trust.

**Missouri** (2016 MO HB 2030) passed an income tax deduction for the net capital gain from the sale or exchange of employer securities to ESOP.


Massachusetts (MA Gen. Laws Chapter 23D § 16) has an employee-ownership revolving loan fund.

Massachusetts (2021 MA SB 261) is also one state that proposed funding a state employee ownership center, which would have provided education, outreach, and technical assistance to businesses interested in the cooperative model.

States have integrated employee ownership into existing technical assistance and support provided to businesses by state agencies, such as in Colorado (Colo. Rev. Stat. § 24-48.5-102), Montana (Mont. Code Ann. § 90-5-304), New York (N.Y. Econ. Dev. Law § 104-A), and Washington (Wash. Rev. Code § 43.63A.230).
PILLAR 3

REIN IN CORPORATE MONOPOLIES
AND PRIORITIZE WORKING PEOPLE
& LOCALLY OWNED BUSINESSES
PILLAR 3: REIN IN CORPORATE MONOPOLIES AND PRIORITIZE WORKING PEOPLE & LOCALLY OWNED BUSINESSES

Corporations, particularly those that extract wealth from rural farms and Main Streets, have far too much power over our government. It is time to get serious about prioritizing rural people and their communities.

ONGOING PRIORITIES:

• Strengthen and enforce antitrust and anti-monopoly laws and policies to eliminate the concentrated power that corporations exert over rural life and economies, from the seeds planted in the field to retail choices.

• Allow people to have choices and opportunities, living wages, fair market prices, essential benefits, and a thriving community to live in.

• Ensure that workers have the right to organize and that public investment in economic development mandates the rights of laborers in those projects.

1. STRENGTHEN ECONOMIC COMPETITION

A well-functioning economy is dependent on healthy and fair market competition. However, across nearly every sector of U.S. economy, from tech to banking to food, just a few companies control most or all of the market. In agriculture, a “get big or get out” federal farm policy has led to fewer farms and farmers and contributed to at least two generations leaving rural communities. Today, many rural communities have only one or two stores, and farmers, 

ranchers, and other producers have equally few buyers for their goods. The lack of competition means that rural residents face higher consumer prices, lower producer prices, and less choice, while the consolidated business owners – often multinational corporations whose profits are not reinvested in the community – reap the benefits.

Enforcement of antitrust laws at the federal level could significantly help to lower prices, increase wages, expand choice, and redistribute economic power. A July 2021 executive order78 from the Biden administration and subsequent related orders have taken important steps to address farmer and rancher market access and competition. While most antitrust action happens at the federal level, state policymakers can pass state-level legislation to address the issue by increasing competition for independent businesses. They can also work with state attorneys general to enforce antitrust laws and to work with federal regulators in the Department of Justice or the Federal Trade Commission to object to mergers and acquisitions.79

States can also address specific harms caused by outsized corporate power. For example, often, farm equipment includes a restrictive contract clause that prohibits the buyer from making repairs, instead requiring the farmer to bring the equipment to the dealer, which is much more expensive and time-consuming. “Right to repair” laws prohibit this arrangement, allowing the end consumer to repair their device, whether it is a combine or a smartphone.80

POLICY PRIORITIES

1 Federal: Pass essential reforms to update and strengthen antitrust policy for the 21st century. These reforms should include many of the recommendations identified in the House of Representatives Report81 on Competition in the Digital Sector and Senator Klobuchar’s Competition and Antitrust Law Enforcement Reform Act.

2 Federal: Pass the Food and Agribusiness Merger Moratorium and Antitrust Review Act as the first step toward dealing with extreme levels of consolidation in the agriculture sector.

3 Federal: Pass “right to repair” laws. National “right to repair” is gaining momentum and would empower people to repair their equipment and property without going to an authorized agent.


4 Federal: Strengthen food labeling requirements, beginning with reinstating mandatory country of origin labeling (COOL) on beef and pork, such as in the American Beef Labeling Act. Multinational corporations currently use lax labeling requirements to manipulate and mislead consumers while taking advantage of American farmers and ranchers.

5 State: Support enforcement of antitrust laws.

6 State: Pass state-level “right to repair” laws.

STATE EXAMPLES

The New York 21st-Century Antitrust Act (2021 NY S 933A) would update antiquated antitrust laws to shift the dominant power of big corporations back to workers, small businesses, and communities.

The Washington State attorney general sued monopolistic poultry companies for conspiracy and price fixing. State attorneys general can also work with federal regulators in the Department of Justice or the Federal Trade Commission to object to mergers and acquisitions.

More than 20 states are considering “right to repair” laws, including New York (2021 NY S 149, 2021 NY S 1512) and Oregon (2021 OR HB 2698).

2. CURB CORPORATE POWER: REPEAL RIGHT TO FARM LAWS AND STOP “AG-GAG” LAWS

Agribusiness, pesticide, and timber companies have worked hard to pass laws across the country that protect corporate agriculture and industrial timber at the expense of independent farmers and rural communities. Many of these laws are framed as if they are pro-farmer, sometimes even confusing farmers themselves. State policymakers can help to shift the narrative about who really benefits from these laws and can seek to oppose or weaken them in favor of policies that will increase rural prosperity for all rather than just for agribusiness.

“Right to farm” (RTF) laws were originally established to protect existing farmers from nuisance complaints and legal action from neighbors who may have recently moved to a farming area and been unused to the sounds and smells of a working farm. But in many states, RTF has been turned on its head: these preemption laws are now used to protect new concentrated animal feeding operations (CAFOs) and similar large-scale operations from opposition by existing neighbors. The strictest RTF laws tie the hands of local or county gov-

ernments by preempting regulation of agriculture or forestry practices, while shielding bad actors from accountability or legal recourse. Despite pushback from rural communities and local governments around the country, RTF laws continue to be promoted and strengthened at the state level. State policymakers can champion opposition to these laws by pushing back against proposed amendments that increase their scope, while helping to shift the narrative of who these laws actually protect: agribusiness and chemical corporations.

Further, while not explicitly called RTF, agribusiness interests in some states have sought to eliminate local control over CAFO siting or other agricultural issues. In states with local control on CAFOs, a county or regional agency has authority to approve or deny a CAFO application based on local conditions. For example, Missouri county health boards long held binding authority over the siting of large CAFOs. After years of attempts by agribusiness-connected state lawmakers to weaken this local control,83 they passed a preemption law in 2019 prohibiting counties from imposing stricter CAFO standards than the state. Counties and municipalities best know the conditions of their local environment and if their community can sustain a large animal operation; lawmakers in states with local control authority should therefore seek to uphold this authority and resist any attempts to weaken or eliminate it.

“Ag-gag” is the nickname given to a variety of laws seeking to prevent whistleblowers from exposing inhumane animal treatment. Supporters say they protect farmers from bad press, but these laws are promoted by agribusiness interests seeking to avoid scrutiny of animal welfare in CAFOs. More than 20 states have proposed some form of ag-gag law, and six states have approved one.84 The laws range from outlawing unapproved photos to requiring that inhumane animal treatment be reported immediately (which prevents gathering evidence for prosecution) to criminalizing taking a job under false pretenses (some whistleblowers do this to collect evidence). Newer iterations of these laws have included provisions to criminalize whistleblowers at elder care facilities, veterans facilities, hospitals, and schools. Courts have struck down several of these laws as unconstitutional. State policymakers can champion transparency in the food supply chain and be vocal opponents of these and other laws that effectively conceal elements of the food supply chain from the public.

POLICY PRIORITIES

1 State: Repeal right to farm laws.

2 State: Stop “ag-gag” laws.

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STATE EXAMPLES

While a handful of states have successfully passed so-called “ag gag” laws, judges in North Carolina, Kansas, Idaho, and Utah have ruled the laws unconstitutional.

3. REFORM MANDATORY CHECKOFF PROGRAMS FOR COMMODITIES

Producers of most commodities are required to pay a fee called a checkoff to the national and state commodity boards that represent and promote their product. These include the National Cattlemen’s Beef Association, the Pork Producers Council, and the National Chicken Council, among others, all at the federal level, and corresponding associations at the state level. Their purpose is to conduct research, build markets, and promote their commodities – ad campaigns such as “Got Milk?” and “Pork, the Other White Meat” are underwritten by mandatory checkoff fees paid by producers of those products.

Commodity boards also lobby for policy change to support their product, and while checkoff fees are not supposed to be used for lobbying activities, in practice, the lines are often blurry. The policies advanced by commodity boards typically support corporate agriculture at the expense of independent family farmers and ranchers – even though it is those farmers and ranchers paying the checkoff fees.

Transparency and accountability of commodity boards is a significant concern for producers and elected officials. Checkoff fees are allowed by federal law, but there are movements for change both nationally and in states. At the federal level, there have been attempts to reform the program.

State policymakers can make similar reforms to increase transparency and accountability at the state level. For example, bills to require that checkoff fee increases be voted on by producers and to conduct legislative review of checkoff programs and commodity boards have been introduced in various states.

A lawsuit by independent Montana cattle ranchers is calling for “affirmative consent” from producers in order to use their funds for promotion activities; lawmakers can also support similar efforts in their states.93

POLICY PRIORITIES

1 Federal: Reform the checkoff program to increase transparency and accountability, as proposed in the Opportunities for Fairness in Farming (OFF) Act.

2 State: Reform state checkoff programs to require active participation from producers such as voting or opting in to approve program activities.

3 State: Increase state review and oversight of the checkoff program and state commodity boards.

STATE EXAMPLES

Missouri (2015 MO HB 141) has considered legislation to require that any increase of checkoff fees be subject to a vote by all producers of that commodity.

Oregon (2015 OR SB 289) considered conducting periodic legislative review of state boards and commissions, including commodity councils.

4. REGULATE CONCENTRATED ANIMAL FEEDING OPERATIONS (CAFOs)

In most states, agriculture is afforded exemptions from many regulations that nonagriculture industries must follow. These exemptions were originally enacted to protect small and midsize farms but have been exploited by large-scale concentrated animal feeding operations (CAFOs) that operate more like a factory than a farm.94 These operations have industrial-scale environmental impact, but they continue to be defined as “agricultural” and are thus exempt from many rules that govern other polluting industries.

In many states, legislators with ties to agribusiness have passed laws to favor CAFO development and have dismantled provisions that give communities a voice in CAFO siting or that protect public health. For state policymakers wanting to slow or reverse this trend, perhaps the most important action is


to be aware of any new or recent legislation proposing to exempt agriculture from regulation or tax – these are generally bills to promote CAFO development and should be opposed.

Lawmakers can push for stricter environmental protections to regulate air and water pollution from large-scale livestock operations; require setback distances from homes, schools, businesses, and roads; ensure that manure is responsibly managed; and increase public participation in CAFO permitting and siting.

In almost all states, responsibility for enforcement of the federal Clean Water Act has been delegated to the state’s environmental protection agency. The states should be issuing National Pollution Discharge Elimination System (NPDES) permits for CAFOs over a certain size.\textsuperscript{95} Permits should protect surface and groundwater, include agency monitoring and inspections, have mechanisms for enforcement, and include robust public input. Unfortunately, the CAFO permitting process is often simply pro forma, and state agency budgets are often too low for effective inspection and enforcement. State policymakers can support adequate funding for the agencies that oversee CAFO permitting to cover inspection, compliance, and enforcement, as well as ensuring they have the authority to issue penalties for bad actors and repeat violators. If policymakers think that the enforcement agency is not properly doing its job with regard to CAFOs, they can advance legislation to require the state agency to report on the number of permits, inspections, violations, and enforcement actions that have been taken against CAFOs in the state.

There are also animal welfare concerns with CAFOs. These include use of gestation crates for breeding female pigs that are too small for the pigs to turn around; battery cages for chickens that do not allow the hens to spread their wings; and the practice of docking the tails of dairy cows, which is painful and causes distress, as they are then unable to swat biting flies. There are no animal welfare regulations at the federal level, and because of this, some states have taken action to ban cruel farming practices.

Overall, the landscape of CAFO regulation in the states is bleak, in that community protections from CAFO pollution are inadequate at best. As a result, lawmakers in some states have proposed an outright moratorium on permitting of new and expanding CAFOs altogether.

**POLICY PRIORITIES**

1. **Federal:** Pass the Farm System Reform Act.
2. **State:** Pass moratoria on new and expanding CAFOs.

3 State: Regulate CAFOs like any other pollution industry, and consider stripping agricultural operations over a certain size of agricultural exemptions from regulation.

4 State: Ban inhumane farming practices such as gestation crates, battery cages, and tail docking.

STATE EXAMPLES

In Illinois (2019 IL SB 1481), legislators considered allowing county governments to have a binding recommendation in the approval process of a new CAFO permit.

Oregon (2017 OR SB 197) considered a bill to direct the State Department of Agriculture to regulate emissions from large-scale dairy operations.

North Carolina (2021 NC HB 913) legislators considered a bill to require large-scale poultry operations to submit an annual animal waste management plan.

In Maryland (2017 MD SB 773), which has many poultry operations, legislators considered a bill to direct the Department of the Environment to conduct a compliance assessment of itself and the state’s CAFOs with state and federal regulations.

Oregon (2021 OR SB 583), Iowa (2021 IA HF 440), Maryland (2020 MD HB 1312), Rhode Island (2021 RI SB 469), and Ohio (2021 OH HB 349) have considered legislation to pause the construction of new and expanding CAFOs until better laws are in place.

New Jersey (2021 NJ SB 3041) is considering a bill to ban gestation and veal crates and name restricting movement or providing inadequate space to farm animals a criminal offense.

Nevada (2021 NV AB399) passed a bill banning the sale of eggs from hens raised in battery cages and required all eggs sold in the state to be from cage-free facilities.

5. STOP TAXPAYER FUNDING OF INDUSTRIAL ANIMAL AGRICULTURE

States offer tax exemptions and abatements for a wide range of agricultural activities. These include exemptions for costs specifically associated with CAFOs, such as manure storage, giving CAFOs a tax advantage over pasture-based livestock operations. Tax exemptions reduce revenue to the state and county, while CAFOs themselves put extra strain on local resources, with additional wear on country roads, water use, and potential need for pollution remedia-
tion. Iowa has reported a loss of $4.5 million in county revenue due to CAFO property tax exemptions.\textsuperscript{96} State policymakers should consider sunsetting tax exemptions that disproportionately benefit CAFOs and implement exemptions that incentivize pasture-based livestock operations.

The Environmental Quality Incentive Program (EQIP) of the USDA Natural Resource Conservation Service (NRCS) provides funds to farm operations to implement environmentally sustainable practices. CAFOs access millions of dollars of EQIP funds for pollution control measures such as upgraded manure storage.\textsuperscript{97} but mitigating manure pollution does not make these facilities environmentally sustainable. EQIP funding is distributed from the USDA through a state conservationist, advised by a technical committee of stakeholders. State policymakers could pass a resolution encouraging the state conservationist to direct all EQIP funding to pasture-based livestock operations to avoid subsiding CAFOs with public funding. State policymakers could also work to ensure impacted communities or pasture-based producers are seeking appointments to the state technical committee.\textsuperscript{98} which oversees the distribution of EQIP funds.

Manure-to-energy projects are rarely economically feasible without public subsidies, particularly when construction and operation costs are taken into account. Additionally, they require an enormous volume of manure in order to operate. While manure-based biogas is touted as being environmentally sustainable, its development actually relies on CAFO expansion – which is definitely not sustainable. In fact, manure-to-energy projects are generally a way for CAFOs to externalize costs of productions onto the public. Further, since they are not renewable energy sources, they should not be included in state renewable energy portfolios or receive tax credits. State officials should work to strike any existing manure-to-energy components of a state renewable energy portfolio.\textsuperscript{99}

**POLICY PRIORITIES**

1. **State: Direct public dollars such as tax exemptions and EQIP funds away from CAFOs** and toward pasture-based operations.

2. **State: Stop subsidizing manure-to-energy projects.**

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**STATE EXAMPLES**

**Iowa** lawmakers considered a bill (2019 IA HF 186) to remove CAFO manure pits from a property tax exemption.

In **Missouri**, as a result of participation by pasture-based producers and advocates, the NRCS state technical committee implemented a rule that no new or expanding CAFOs in Missouri are eligible for EQIP dollars,\(^{100}\) which has reduced EQIP funds going to livestock waste management from 35 percent to 15 percent in recent years.\(^{101}\)

**New York** (2019 NY S 6599) recently passed a bill that would prohibit waste-to-energy projects to be included in its future renewable energy platform.

In 2021, **Oregon** allowed the expiration of a tax credit for manure, which was intended to promote manure-to-energy projects.\(^{102}\)

## 6. PROTECT COMMERCIAL FISHERIES AGAINST INDUSTRIAL AQUACULTURE THREATS

Industrial aquaculture facilities (fish farms) can be considered the “factory farms” of the sea, posing similar environmental and economic threats to the local ecosystem and community.

Fish farms threaten recreationally and commercially important wild fish stocks. As in land-based industrial livestock operations, industrially farmed fish are densely stocked in pens, with the primary difference being that these are floating in water. Some fish are farmed in freshwater or in inland ponds; others are raised in an offshore or open ocean environment.

Farmed fish are bred to grow larger and more quickly than their wild counterparts, and if they escape from captivity, they can outcompete wild fish for habitat and food. Because disease can be common, these operations often rely on antibiotics or other pharmaceuticals to keep the fish alive until harvest. Pollution is a significant concern, particularly with open water operations,\(^{103}\) as uneaten feed, medication, and excrement enters the ecosystem in high volume, causing chemical and nutrient imbalance, algal blooms, and hypoxia, or so-called “dead zones.”

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State jurisdiction overfishing laws extends three miles offshore. Alaska has banned commercial finfish farming within its three-mile state limit. Federal waters extend from three to 200 miles offshore, regulated by the National Oceanic and Atmospheric Administration (NOAA). All 35 coastal and Great Lakes states and territories (except Alaska) participate in the National Coastal Zone Management Program (NCZMP), in which each state or territory administers its own coastal management plan under NOAA’s guidance and approval. Each state’s management plan provides consistency between federal and state agency decisionmaking for the coastal region, and local governments rely on the plans to make decisions impacting a coastal area. State policymakers can communicate with their NCZMP administering agencies that industrial aquaculture does not belong in federal waters.

**POLICY PRIORITIES**

1. **State:** Coastal Zone Management Programs should not include industrial-scale aquaculture and should instead prioritize the health of wild fish stocks, ecosystem integrity, and the livelihoods of independent fishing communities.

**STATE EXAMPLES**

**Alaska** (AS 16.40.210) bans commercial finfish farming within its state waters.

**7. ENSURE EQUAL RIGHTS FOR FOOD AND FARM WORKERS**

Rural workers, especially Black and Latino workers in rural areas, are more likely to earn less than $15 per hour than their urban counterparts.\(^{104}\) Rural workers are less likely to live in one of the 30 states that have enacted a minimum wage above the federal minimum wage.\(^ {105}\)

In many rural regions, farm and food system work is one of the primary employment options. Federal law exempts agriculture workers from basic workplace protections, and most states follow that precedent. Given that most food and agriculture workers are people of color, the exemption disproportionately harms Black and brown people.

Food and farmworkers have long been on the front lines of disasters. From COVID-19 to climate events, farmworkers often lack protections from both ongoing workplace dangers and disasters.\(^ {106}\)

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level has attempted to provide some protections from issues like extreme heat, smoke, and weather events, but more protections are needed. Laws and regulations are also needed to protect food and farmworkers from toxic chemicals and pesticides, which put female farmworkers at increased risk, as exposure can impact reproductive health.

Meatpacking plants and other companies are also increasingly using forced and unpaid labor by incarcerated people, citing labor shortages. Federal law bans products produced by prison labor from interstate commerce, but agricultural products are exempt. Some states have tried to make it easier for companies to use penal labor, while some companies have pitched unpaid work in a processing plant as a rehabilitation program for inmates.

**POLICY PRIORITIES**

1. **Federal:** Enact reforms to support farmworkers, including the Farm Workforce Modernization Act, a bill that would establish a certified agricultural worker status, increase statutory mandatory working conditions requirements, and change the H-2A temporary worker program by providing a pathway to citizenship, and the Fairness For Farm Workers Act, a bill that would give farmworkers equal rights to overtime pay and minimum wage standards.

2. **Federal:** Pass bills like the Essential Workers Bill of Rights. Workers are critical members of rural communities. They keep the nation running and deserve to be treated with dignity and respect, not just during a pandemic, but permanently.

3. **State:** Enact a minimum wage above the federal minimum wage.

4. **State:** Enact a farmworker bill of rights and labor standards.

5. **State:** Provide agriculture workers basic labor rights, including minimum wage, overtime pay, and the right to organize.

6. **State:** Protect workers from dangerous working conditions, including

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COVID-19, and weather such as heat and wildfire smoke, which will get worse in a warming climate.

7 State: Make it unlawful to force an inmate to work against their will.

8 State: Require prison industries to pay a federal minimum inmate wage to incarcerated persons doing work.

**STATE EXAMPLES**

**Georgia** (2021 GA SB 24), **Iowa** (2021 IA HF 122), **North Carolina** (2021 NC HB 612), and **Oregon** (2021 OR HB 3551) have all considered legislation to raise the state minimum wage and establish annual cost-of-living updates to ensure that the minimum wage keeps up with the economy.

**Colorado** (2021 CO SB 87) legislators enacted a Farmworker Bill of Rights, which eliminates the minimum wage and overtime exemption for farmworkers; grants the right to organize and join labor unions; and offers new protections against heat stress, illnesses, and injury.

**New York** (2019 NY A 8419) passed a Farm Laborers Fair Labor Practices Act that provides farm laborers with collective bargaining rights, a maximum of 60 hours’ work and minimum 24 hours’ rest per week, overtime pay, unemployment insurance, sanitary temporary housing, and workers’ compensation benefits.

**Maine** (2021 ME LD 1022), **Oregon** (2021 OR HB 2358), and **Washington** (2021 WA SB 5172) have all worked on agriculture worker overtime bills with significant bipartisan support.

**Florida** (2019 FL HB 1285) considered a bill to address heat-related illness, and legislation enacted in **California** (2021 CA AB 73) protects farm- and fieldworkers from dangerous wildfire smoke.

**New York** passed the NYS Health & Essential Rights Act (2021 NY 1034B) that created an Occupational Health & Safety Administration (OSHA) state standard for health and safety from COVID-19 and other airborne infectious diseases for employees in the state.

**New York** (2021 NY S416) has considered a bill to make it unlawful to force an inmate to work against their will and to prohibit a public entity from profiting from unpaid inmate labor.

**Mississippi** (2021 MS HB 408) has considered a bill to require prison industries to pay a federal minimum inmate wage to incarcerated persons doing work.

In **California** (2020 CA AB 2147), where incarcerated people are often enlisted to fight wildfires, legislators enacted a law to allow these people to have their records expunged at the end of their sentence, to make it easier for them to find post-prison work in emergency response.
PILLAR 4
BUILD A RURAL ECONOMY THAT PRIORITIZES COMMUNITY AND IS SUSTAINABLE, NOT EXTRACTIVE
PILLAR 4: BUILD A RURAL ECONOMY THAT PRIORITIZES COMMUNITY AND IS SUSTAINABLE, NOT EXTRACTIVE

Rural economic reliance on extractive industries like fossil fuels, factory farming, and industrial timber must end. A new economy can be built on regenerative food, natural resource, and energy production along with small business innovation and a strong public sector. Rural policy must prioritize resilient local economies, putting people and communities first.

ONGOING PRIORITIES:

• Utilize the challenge of the climate crisis to create local ownership, good jobs, and empower farmers and small businesses in rural America.

• Support local and regional governments and nongovernmental organizations with capacity building and resources to end reliance on the extractive boom-and-bust industries.

• Enable distributed, community-owned clean energy systems like rooftop and community solar and wind that ensures maximum livability and land use for rural residents and farmers.

1. INVEST IN RURAL COMMUNITY LIVABILITY

People live in rural regions for lots of reasons, but for many, it is because they love the land and the rural quality of life. Rural areas offer tremendous benefits, including open space, natural beauty, recreational opportunities, and much more. However, decades of federal and state disinvestment in rural areas have
created rural exodus, where people have left rural communities in order to move to cities and suburbs, which has led to further disinvestment.

State lawmakers can interrupt this trend by investing in rural livability. This is a key moment to do so, in an ongoing pandemic and when conceptions about work and life are evolving, which has encouraged city residents to move to small towns and rural areas.

Rural residents, whether longtime, returning, or newcomer, need good jobs, viable public transportation, bicycle and pedestrian infrastructure, healthy food, and safe communities in which to raise families. Policymakers can improve rural livability by investing in the transportation, food access, and recreation infrastructure that make rural areas good places to live and raise a family, while investing in jobs with economic multipliers that contribute rather than extract wealth from the community.

**POLICY PRIORITIES**

1. **Federal: Ensure that rural economic development and job training prioritizes rural jobs.** Too often, economic development and job training programs prepare workers and entrepreneurs to leave rural communities rather than creating opportunities to stay and thrive. Development efforts must prioritize building strong rural communities.

2. **Federal: Create and fund “jobs of the future” and “industries of the future” apprenticeship programs.** Job training and business development must envision the next generation of rural economies and focus on preparing and supporting the development of those industries, including information technology and new commodities like hemp. This focus on a just transition away from extractive industries to local wealth creation and good-paying jobs should be a critical part of rural economies.

3. **Federal: Reform existing tax credits for renewable energy.** Provide fair treatment of rural electric cooperatives (RECs) under the direct payment option for renewable energy tax credits so that RECs receive the same vital option for direct payment that is afforded to every other type of utility in The Moving Forward Act passed by the House.

4. **State: Create Departments of Rural Prosperity** that work to balance economic growth with rural livability and a clean environment.

5. **State: Increase access to and reliability of public transportation.**

6. **State: Invest in public recreation and green spaces** that promote rural livability while attracting tourism.

7. **State: Pass right to food legislation** that gives state residents the unalienable right to grow, produce and consume food of their choice.
STATE EXAMPLES

**Colorado** (2017 CO SB 267) legislators enacted a bill to support local public transportation projects and earmarked one-fourth of the funds for projects in rural counties.

In **Texas** (2021 TX HB 1294), lawmakers introduced legislation to exempt rural transit districts from motor fuel taxes on any fuel used exclusively to provide public transportation.

**Hawaii** (2021 HI SB 1402) lawmakers enacted a bill requiring the development of a plan to modernize the state’s ground transportation system, including prioritizing public mass transportation and establishing a contiguous network of bicycle and pedestrian pathways. The plan must provide equity for all communities and users, in recognition of how inequitable infrastructure investments have exacerbated disparities, particularly in rural areas.

**North Carolina** (2019 NC SB 665) legislators considered the Omnibus Rural Investment Act to increase state matching funds for public recreation projects, such as rural hiking trails for smaller counties.

**California** (2021 CA AB 1177) recently enacted a state-owned public banking option to support community banking, offering a zero-fee and zero-penalty bank account, debit card, and financial services to communities vulnerable to predatory financial institutions.

By executive order, **Michigan** (2022-1 MI) created the Office of Rural Development to coordinate state activities impacting rural areas, including economic and workforce development, infrastructure, public health, and environmental sustainability.

By ballot measure, **Maine** (Maine H.P. 61) adopted an amendment to its constitution that enshrines the unalienable right of every resident to grow, produce, and consume the food of their choice.

2. PROTECT RURAL AIR, WATER, AND BIODIVERSITY

Policies for a healthy rural environment are critical not just for rural residents but also to protect the natural resources on which everyone depends: clean water and air, healthy soil, and thriving biodiversity are important for all of us, and these start in rural areas. However, rural communities all too often depend on polluting industries, from mining to industrial agriculture, that use chemical inputs or leave toxic outputs that pollute water and air.

One class of chemicals known as PFAS (per- and polyfluoroalkyl substances) is
worth particular note.\textsuperscript{112} PFAS chemicals are included in a wide range of products, from takeout containers to firefighting foam; as a result, testing regularly finds it in drinking water. Mounting research links PFAS exposure to multiple cancers, reproductive damage, endocrine disruption, and impaired fetal development.\textsuperscript{113} The substances are known as “forever chemicals,” as they take thousands of years to break down. Remediation is timely and costly. Farmers who find PFAS contamination in their soil often lack the resources and support for remediation, leaving them with no option but to leave the land fallow, costing them the profit of the crop they otherwise would have planted.\textsuperscript{114} The U.S. Environmental Protection Agency (EPA) recently announced new regulations for PFAS chemicals.\textsuperscript{115} In the meantime, states are addressing the issue in various ways.\textsuperscript{116}

State legislators can champion rural environmental health through policies that prioritize clean water, clean air, and biodiversity, and regulate polluting industries.\textsuperscript{117} Lawmakers can also ensure that environmental regulatory and enforcement structures in the state are robust. This includes adequate funding for environmental protection agencies and agency authorization to issue penalties for bad actors and repeat violators. If policymakers think that the enforcement agency is not properly enforcing the law, they can advance legislation to get more details.

**POLICY PRIORITIES**

1. **Federal: Pass the Climate Stewardship Act**, a bill that would provide increased funding for USDA conservation programs, renewable energy programs, ecosystem restoration, and a new Civilian Conservation Corps (CCC). The bill expands on USDA identified conservation practices, farm and small business renewable energy, tree planting, and wetland restoration to make huge strides in using natural climate practices to reduce U.S. greenhouse gas emissions, while increasing farmer income and creating good jobs.

2. **Federal: Pass the 21st Century Civilian Conservation Corps for Our Health and Our Jobs Act**, a bill that expands upon provisions in the Climate Stew-

\textsuperscript{112} Environmental Protection Agency. PFAS Explained. https://www.epa.gov/pfas/basic-information-pfas.
ardship Act to resource a wide range of federal agencies to create good conservation jobs.

3 State: Protect pollinators by incentivizing pollinator habitat.

4 State: Ban neonicotinoids and chlorpyrifos (including in seed treatments) and other dangerous pesticides and insecticides that are particularly harmful to pollinators118 and young children.119

5 State: Protect rural residents from exposure to pesticide and herbicide drift and volatilization.

6 State: Ban winter application of manure.

7 State: Ban hydraulic fracturing or “fracking,” a practice that threatens farmland and groundwater.

8 State: Incentivize healthy cycling of nutrients in fields to prevent agricultural runoff.

9 State: Promote agriculture tourism, activities that provide added value to farmers and landowners in rural areas.120

10 State: Regulate the use of PFAS in industrial processes and sale of goods containing PFAS.

11 State: Set maximum contaminant levels (MCLs) for PFAS in drinking water.

12 State: Direct funds for increased testing and environmental remediation of PFAS contamination.

STATE EXAMPLES

Washington (HB 2478-2016) Requires all state agencies give preference to replacing pollen-rich or nectar-rich noxious weeds with native forage plants that are beneficial to honeybees and other pollinators.

Several states, including New York (NY 2021 S 7400), have worked on pollinator protection bills, with various aspects of the bill aimed at improving the well-being of honey bees and other critical pollinators. Illinois (2021 IL HB 3357) is considering amending the state’s Bees and Apiaries Act to prohibit a commercial applicator from spraying pesticides toxic to bees on blooming crops when the pesticide application is within one mile of a registered apiary.


Nebraska (NE 2021 LB507) considered a bill to prohibit neonicotinoid-treated seeds in ethanol production.

Four states have restricted the use of chlorpyrifos, with Maryland (2020 MD 300) being the most recent. In 2018, Hawaii (2018 HI SB 3095) was the first state to prohibit the use of chlorpyrifos.

Several states have banned the winter application or spreading of manure on frozen ground. Many states have done this through rulemaking; however, Michigan (2019 MI SB 247) attempted to prohibit the practice through legislation.

States including Maryland (2017 MD HB 1325), New York (NY 2019 S 6906), and Vermont have banned hydraulic fracturing, a practice also known as fracking. New York (NY 2019 S 3392) closed the fracking waste loophole by classifying it as hazardous waste.

Several states, like Pennsylvania (2021 PA HB 101), have revisited their agritourism laws to shield farmers from liability during agritourism activities. Agritourism helps promote local farms and ranches, while providing value-added income to farmers and ranchers.

Maine recently enacted bills to appropriate funds for soil and groundwater PFAS testing (2021 ME LD 1600) and to set maximum PFAS contaminant levels in community water systems, and outlining ongoing water monitoring (2021 ME LD 129).

Minnesota lawmakers are considering a bill that would appropriate funds for a PFAS reduction plan and increased testing (2021 MN SF 1410), creating a PFAS reduction task force to investigate environmental contamination (2021 MN SF 69), and prohibiting the use of PFAS substances in packaging produced and sold in the state (2021 MN SF 373).

Michigan’s PFAS Action Response Team recently promulgated new rules outlining strict PFAS limits in drinking water.

Many states that have enacted legislation to address soil health choose to address nutrient runoff by incentivizing producers to enhance nutrient cycling on their operations. See the below section Support Farmers and Ranchers Using Responsible, Climate-Friendly Land Practices for examples of bills.

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3. SUPPORT AND INVEST IN THE GROWING INDUSTRIAL HEMP ECONOMY

There is tremendous potential in the hemp industry, with new jobs in agriculture, processing, manufacturing, marketing, and more. Research shows that hemp industry jobs are higher-paying than those in mainstream agriculture (and even higher when they’re unionized). Globally, hemp is a booming industry producing for markets such as car manufacturing. Hemp has significant environmental benefits, including as an alternative to fossil fuel-based plastics, building materials, fabric and textiles, and paper. Hemp has also been shown to successfully suppress weed growth when used as a cover crop.

The 2018 Farm Bill reclassified hemp and legalized industrial production at the federal level, but there is still a lack of clarity on the federal laws and how they interact with state laws. Confusion around federal hemp laws is one of the key barriers impacting the industrial hemp industry, hemp farmers, and state legislators attempting to support and grow the industrial hemp industry. Though the USDA offers some programs to hemp producers and is currently conducting research, rulemaking, and surveying hemp farmers, there is much more to be done to support the economic viability of this industry.

One of the most significant challenges facing industrial hemp farmers is federal regulations requiring hemp crops to contain less than 0.3 percent THC. Federal law requires destruction of a crop that tests above the 0.3 percent limit. In 2020, an estimated 6,000 acres of “hot” hemp with concentrations above the limit were destroyed, at significant financial loss to farmers.

Hemp licenses can also be very expensive for new and beginning farmers. Coupled with a fluctuating and unreliable processing market and challenging and confusing federal regulations, the hemp industry can be risky business for farmers. Socially disadvantaged farmers without significant financial backing

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may not have the resources to initially invest. Black and brown farmers who have been historically discriminated against in the war on drugs may experience additional social oppression in accessing grants, loans, land, and obtaining licenses.

**POLICY PRIORITIES**

1. **State:** Expand the window for federally regulated THC concentration testing.

2. **State:** Address equity issues in hemp production and support funding for feasibility studies.

3. **Federal:** Reform federal banking access and clarify USDA hemp rules. Increase allowable THC concentration in hemp crops from 0.3 percent to 1 percent.

**STATE EXAMPLES**

**California** is in the process of updating state regulations (in line with the USDA) governing the time frame for hemp THC testing, increasing the time farmers have to test their hemp before harvest from 15 to 30 days, allowing for more flexibility and reducing. This rule change is also in line with the USDA interim final rule published in early 2021 allowing for 30 days between testing and harvest.

There is an opportunity for state legislatures to direct funding for production feasibility studies for their hemp industry. States like Colorado that take the bold first steps to invest in growing and processing hemp could see great returns on investment and become national leaders in a rapidly growing sector.

4. **SUPPORT FORESTERS, FARMERS, AND RANCHERS USING RESPONSIBLE, CLIMATE-FRIENDLY LAND PRACTICES**

Not all agriculture is good for the planet, but regenerative agriculture and forestry practices are climate-friendly, not only sequestering carbon, but building healthy soil that retains water and increases habitat for wildlife and pollinating insects. These methods have been used by Black and Indigenous communities for generations, and they are increasingly being employed more broadly by farmers across the country.

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The gold standard of regenerative farming practices is managed grazing (also called intensive rotational grazing), in which ruminants like cattle, sheep, or goats graze on a rotation of perennial grasses. The practice sequesters carbon, builds soil health and moisture absorption, and reduces fuels in fire-prone regions. Pasture-based livestock farms and ranches also offer an array of beneficial environmental services and contribute to the rural economy by providing healthy food for the local community. There is a wide range of policy options to promote healthy soils and climate-friendly farm practices in ways that will work in any political environment, and managed grazing should be incentivized and prioritized whenever possible.

Well-managed state forest lands also provide rural communities with economic opportunities and environmental benefits. State policymakers should consider public land forest management that protects mature forests and caps annual timber harvest. Many states have passed legislation similar to the National Environmental Protection Act (NEPA),\textsuperscript{134} which requires an environmental analysis of activities on state-owned lands. Any state-level environmental protection act should ensure robust public comment, environmental analysis, and assessment of the impact on Indigenous communities and the climate. Policy to actively manage the wild/urban interface through prescribed fire, small-diameter thinning, and managed grazing can help to reduce fuels and protect communities from catastrophic wildfire.

On private forest lands, policymakers should consider policies to incentivize sustainable management practices that protect clean water, promote carbon sequestration, and protect habitat. Practices that should be disincentivized on private land include streamside logging, clear-cutting (particularly on slopes), and use of pesticides and herbicides. Finally, policymakers should consider the financial aspects of the timber economy and consider creating economic trusts or other structures that separate county budgets from the timber harvest, to avoid the boom-and-bust cycle of reliance on a single industry.

**POLICY PRIORITIES**

1. **Federal: Reform federal farm programs while supporting local food systems and expanding conservation programs for family farmers.** Stop subsidizing extractive, industrial agriculture that promotes overproduction of commodities, as well corporate livestock production controlled by multinational corporations. Instead, expand grant programs for local food processing and infrastructure as well as conservation programs that support family-farm-based conservation practices.

2 Federal: Pass the Forest Management for Rural Stability Act, which would create a permanent endowment fund that offers stable and reliable funding for rural public lands, county services, and education. The bipartisan bill would appropriate money for the fund initially, but all commercial revenue generated on National Forests, Oregon & California lands administered by the Bureau of Land Management, and Fish & Wildlife refuges would then help capitalize the fund in the future. The bill would prevent underpayment or nonpayment of federal obligations to local governments through annual appropriations shortfalls, as well as preventing federal lands extraction due to county government shortfalls.

3 State: Incentivize healthy soils.

4 State: Prioritize managed grazing.

5 State: Protect state forests.

STATE EXAMPLES

Nebraska (2019 NE LB 243) enacted legislation to establish a Healthy Soils Task Force, which is responsible for developing an action plan and timeline to implement soil quality benchmarks.

Indiana (2021 IN SB 373) is one of several states that has directed state agencies to study and make recommendations for the role of the state in a voluntary carbon market.

Colorado (2021 CO HB 1181), Texas (2021 TX SB 1118), and Maine (2021 ME LD 437) have established healthy soil programs or conservation programs that protect soil and water.

Colorado passed legislation to launch a study on the biomass in the state and create policy recommendations for improving soil health, and another bill to leverage federal COVID-19 stimulus money to fund their soil health program (2021 CO SB 235).

The New York (2021 NY A 5386) Soil Health and Climate Resiliency Act establishes a program to assist farmers in improving the health of their soil. The bill creates a funding stream to support research and provides matching grants to fund projects that reduce greenhouse gas emissions, implement water management systems on farmland, and encourage soil health and resiliency. The program is designed to prioritize socially disadvantaged farmers.

Minnesota’s (2021 MN HF 701) soil health bill not only centers race and equity but also sets an ambitious goal that 100 percent of tillable and grazeable acres employ cover crops, perennial crops, no-till, or managed rotational grazing by 2040.

New Mexico (2021 NM HB 9) policymakers considered allowing taxpayers to select donating their tax refund to fund the state’s soil health program.
**Minnesota** (2021 MN HF 701) lawmakers introduced a bill to establish soil-healthy farming goals and incentives. Policymakers can also consider incentives to employ responsible managed grazing practices on state-held lands.

Several states have state National Environmental Policy Act (NEPA)-like laws that trigger an environmental impact assessment (EIA) or review of any project that could potentially negatively impact state lands. State NEPA laws can be an important tool to protect state forests.\(^{135}\)

### 5. REDUCE WASTE IN THE FOOD SUPPLY CHAIN

The U.S. wastes a staggering 133 billion pounds of food every year, accounting for 40 percent of all food produced in the country, at an annual cost of $161 billion.\(^{136}\) Wasted food squanders the natural resources, energy, and labor that produced, processed, and distributed it, and generates greenhouse gas (GHG) emissions, since most food waste is sent to landfills, where it releases methane. U.S. food waste causes 4 percent of greenhouse gas emissions, 14 percent of all freshwater use, 18 percent of all cropland use, and 24 percent of all landfill inputs.\(^{137}\) At the same time, one in six Americans struggle with food insecurity.

Fortunately, there are many proven, scalable solutions that yield environmental and social benefits while also creating jobs and yielding net economic gains.\(^{138}\) Public policy plays an important role in accelerating implementation of these solutions, affording policymakers a unique opportunity, given the benefits and economic viability of these solutions, the broad, bipartisan public support for food waste reduction, and the unpopularity of actively lobbying against food waste solutions.

Food waste reduction solutions fall into three primary categories:

**Prevention**: keeping food from going to waste at all points in the supply chain (i.e., farms, food processors, grocery retailers, restaurants, foodservice providers, and consumers);

**Recovery**: facilitating the donation of edible food; and

**Recycling**: using techniques like composting or conversion of food waste to animal feed rather than sending food to landfills.

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\(^{138}\) For data and further policy examples, see: https://policyfinder.refed.org/.
The most effective food waste policies are waste bans and recycling laws that prohibit food waste from being sent to landfills. Waste producers are required to compost their organic waste, which can serve as a powerful motivator to reduce the waste. Specifics of these laws vary, from including consumer-generated waste to only applying to businesses over a certain size. These policies can be challenging to enact and implement, but they have the greatest impact, by requiring large-scale organics recycling and incentivizing prevention and recovery.

Policies to facilitate food donations also reduce the waste stream, while providing food for those who need it. The federal Bill Emerson Good Samaritan Food Donation Act provides liability protections for food donors, but many businesses are still reluctant to donate due to fear of liability. States can reduce these concerns by offering explicit liability protections for food donations, including protections for donations made directly to the recipient and protections for the donation of past-date food. States can also establish tax incentives to promote donation. Nine states have done so, primarily focusing on donation of farm products.  

Standardization of date labels (“best by,” “sell by,” etc.) can also dramatically reduce food waste. For all foods except baby formula, these dates are unregulated at the federal level, and they don’t reflect actual food safety standards, but they do cause confusion, leading to an estimated 20 percent of consumer food waste. Some states prohibit sale or donation of foods after the label date, even when the date doesn’t reflect food safety standards. In the absence of federal regulation, states can eliminate product-specific labeling requirements, allow sale and donation of foods past quality dates, or adopt a two-label standard proposed by advocates: “best if used by” to indicate food quality, and “use by” to indicate food safety.

**POLICY PRIORITIES**

1. **State: Facilitate the donation of edible food** by reducing liability of donors, requiring mandatory donation of surplus food, and providing tax incentives for donations.

2. **State: Divert food waste from landfills** through recycling solutions such as composting or conversion of food waste to animal feed.

3. **State: Standardize date labeling or remove date labeling requirements.**

4. **State: Fund campaigns for public education on food waste.**

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STATE EXAMPLES

**Vermont** (Vt. Stat. Ann. tit. 10, § 6605k) prohibits food waste from being sent to a landfill, including consumer-generated waste. **California, Connecticut, Massachusetts**, and **Rhode Island** also have organic waste bans or recycling laws.

**California** (2021 CA SB 1383) requires that certain food businesses donate surplus food.

**Minnesota** (Minn. Stat. Ann. § 604A.10) law extends liability protections to direct donations. Liability protections in **Massachusetts** (Mass. Gen. Laws Ann. Ch. 94, § 328) include the donation of open-dated food whose date has passed.


6. INVEST IN REGIONAL FOOD & FARM INFRASTRUCTURE

Both consumer demand for local food and the interest of new and established farmers in producing it have skyrocketed in the last decade, but the supply is still often limited by the lack of physical processing infrastructure. Many local and regional canneries, slaughterhouses, butchers, dairies, and similar food processors closed in the 1980s and 1990s, eliminating a critical part of a local food system. Investment in building or rebuilding this infrastructure has significant economic benefits, supporting local farmers and creating jobs.

Meat processing is ultimately regulated at the federal level, but there is a great deal that states can do. In 27 states, the state departments of agriculture have the authority to inspect meat processing facilities, rather than requiring inspection by USDA, as in the remaining states. Meat processed at state-inspected facilities may be sold within the state. States with these programs can ensure that they are robust and well-funded; they may also apply for the Cooperative Interstate Shipment (CIS) program, which allows meat from state-inspected plants to be sold in other states. Labor can be a major sticking point for developing processing capacity. Some community colleges, high schools, and other institutions are investing in vocational programs to train workers in the skills that a small meat processing plant requires.

To support the interest and economic potential of local food economies, many states updated their cottage food laws in recent years to allow home cooks and bakers to sell homemade products. Another route is public investment in

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community commercial kitchens that are available for local food producers to make their food products. These are often developed by a nonprofit, with collaboration from local and regional governments and businesses. USDA grants can be a key to getting the facilities built. Colpaart, Ashley. “Federal Grants Programs for Shared Use Commercial Kitchens Supporting Local Food Systems.” The Food Corridor, 25 June 2021, https://www.thefoodcorridor.com/2021/05/10/federal-grants-programs-for-shared-use-kitchens/.

Food hubs can be another key element of developing and strengthening local food systems. As with commercial kitchens, development of a food hub is not generally driven by a state initiative, but it can be supported and funded by state action. For example, a Georgia state senator was able to direct state funds to a new food hub in a predominantly Black rural Georgia county by working closely with local community members. Senator Kim Jackson. “Southwest Georgia Hub Appropriations Request.” Received by Senator Blake Tillery, Chairman, Appropriations Committee, State Innovation Exchange, 5 Mar. 2021, https://ag.stateinnovation.org/wp-content/uploads/2021/12/SWGP_FoodHub_AppropriationsRequest_03.05.21.pdf. Accessed 24 Jan. 2022.

There is also an opportunity for states to earmark federal dollars, such as from the COVID-19 relief or infrastructure packages, for local food infrastructure.

POLICY PRIORITIES

1 State: Invest in local meat processing infrastructure.
2 State: Update cottage food laws.
3 State: Invest in food hubs.

STATE EXAMPLES

States without a state inspection program can consider legislation to create one, as Arkansas (2021 AR HB 1315) recently did and Massachusetts (2021 MA HB 3926) is considering.

Pursuing a multipronged strategy to improve meat processing for its ranchers, Wyoming (2021 WY HB 54) directed a council to expand the state’s meat processing infrastructure in a variety of ways, and also passed a “herd share” law (2020 WY HB 155), which allows ranchers to sell shares of an animal or herd to shareholders who receive cuts of meat when the animals are processed, without the need for USDA-inspected slaughter. Vermont has a similar herd share law (Vt. Stat. Ann. tit. 6, § 3311a).

Butchering training programs like in Iowa,\textsuperscript{145} Montana,\textsuperscript{146} and Arizona,\textsuperscript{147} can be developed in partnership with state agencies and funding.

**Connecticut** (2015 CT HB 5027) recently updated its cottage food laws.

States like California (2021 CA AB 1144), Illinois (2021 IL SB 2007), and Florida (2021 FL HB 663) that have existing cottage food laws have recently expanded or clarified them in light of the increased interest in this kind of small business.

A bill enacted in Utah (2021 UT HB 94) granted authority to local health departments to license and regulate what the bills calls “microenterprise home kitchens.”

**California** (2021 CA AB 1009) enacted legislation to establish the Farm to Community Food Hub program. **Hawaii** (2021 HI SB 338) lawmakers have introduced legislation to establish a five-year food hub pilot program, which would increase local food access and provide grant funding for applicants wishing to establish or expand a food hub.

**Massachusetts** set aside part of its American Rescue Plan funding for municipalities to invest in infrastructure including food hubs.


