

# THE FARMER'S REPORT

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Wednesday, Jan. 31, 2024





## Illinois' efforts to improve water quality detailed in 2023 Nutrient Loss Reduction Strategy Biennial Report

SPRINGFIELD – Illinois' ongoing commitment to water quality is demonstrated in the 2023 Biennial Report of the Illinois Nutrient Loss Strategy (NLRs). The report has been developed by the Illinois Environmental Protection Agency (Illinois EPA), Illinois Department of Agriculture (IDOA), and University of Illinois Extension, and is available at [go.illinois.edu/NLRS](http://go.illinois.edu/NLRS).

The 2023 Biennial Report is the fourth update to the strategy since its inception in 2015. Implementation of the NLRs is guided by research to optimize nutrient loss reduction while fostering deep collaboration and innovation across academia, the private sector, non-profits, wastewater agencies, and local, state, and federal government agencies. The report details the progress of the State's efforts to improve water quality by reducing nutrient pollution, which affects both local waterways and the Gulf of Mexico. It outlines initiatives in 2021–22 that reduce nutrient loss across the agricultural, wastewater, and urban stormwater sectors and stresses the multifaceted challenges to addressing nutrient loss.

The NLRs is a collaborative effort involving a diverse group of science, technology, and industry experts and stakeholders. The NLRs has a goal of reducing nutrient pollution in Illinois' waterways and the Mississippi River basin by recommending practical, research-based actions, and best management practices. The primary goal of the NLRs is a 45%

reduction in both nitrogen and total phosphorus loads, with interim targets set at a 15% nitrogen decrease and a 25% total phosphorus decrease by 2025.

"This Biennial Report showcases the commitment of the agriculture industry to be good stewards of the land," said IDOA Director Jerry Costello II. "Through the works of the NLRs, the Department learned the value of having a 'boots on the ground' conservation presence state-wide working directly with farmers implementing in-field practices focused on soil health."

"This report provides a candid update on the outcomes and ongoing initiatives across all sectors, particularly in light of the climatic challenges faced by Illinois and neighboring states within the Mississippi River basin," said Illinois EPA Director John J. Kim. "Our collective endeavor is to integrate more effective measures to curtail nutrient pollution. We remain committed to the goals set out in the 2015 Strategy, and we are resolute in our collaborative approach to confront and overcome these environmental challenges."

Nutrient pollution, primarily from excess nitrate-nitrogen and total phosphorus, promotes algal growth and impairs local ecosystems which can make water unsuitable for drinking, recreation, fishing, and aquatic life. Excess nutrients also contribute to the "dead zone" in the Gulf of Mexico where aquatic life struggles due to depleted oxygen levels. Illinois is one



**Joliet Lock and Dam**

of 12 states with nutrient loss reduction strategies who are members of the Mississippi River/Gulf of Mexico Hypoxia Task Force created to address the issue.

The 2021-22 water quality measures present varied results. The five-year average from 2017-21 shows nitrogen loads increased by 4.8% to 416 million pounds annually and total phosphorus loads increased by 35% to 46 million pounds annually, when compared to the 1980-96 baseline. River flow, or water yield, was 23% higher than the baseline. Statewide nitrate-nitrogen and total phosphorus loads have been highly correlated with water yield, which itself is highly correlated with precipitation. Greater runoff and drainage associated with climate change also tend to increase river loads.

Throughout the state and across the nonpoint source (including agriculture), point source, and urban stormwater sectors, NLRs partners work to mitigate nutrient loss through at least 78 distinct nutrient loss reduction programs and projects. Community outreach and engagement to educate

the public and encourage action are crucial components of the strategy. In 2021–22, source sector experts connected with 123,860 people at 1,080 community events. Topics included land management practices such as cover crops, wastewater facilities improvements, and stormwater tips for homeowners.

In the agricultural sector, surface runoff and subsurface drainage are the primary sources of nutrient loss. The NLRs recommends a variety of in-field and edge of field practices to reduce nutrient loss from these sources. During 2021–22, conservation efforts jointly funded by the IDOA and Illinois EPA successfully prevented 73,000 pounds of nitrogen and 30,000 pounds of phosphorus from entering the state's waterways. These efforts included IDOA's Partners for Conservation and Fall Covers for Spring Savings programs, Illinois EPA's Section 319 Non-Point Source Pollution Control Program, and multiple U.S. Department of Agriculture programs.

The point source sector is implementing strategies such as optimizing operations of existing equip-

ment, upgrades to wastewater treatment facilities, and watershed-based approaches to reduce nutrient loads. The Illinois point source sector decreased its total phosphorus discharges by 6.2 million pounds or 34% since 2011, surpassing the strategy's 2025 interim goals for the sector. This is largely attributed to the Illinois EPA's National Pollutant Discharge Elimination System permit program, which mandates treatment facility improvements and optimizations.

In the urban stormwater sector, water quality improvement efforts focus on managing runoff and reducing the duration and intensity of flooding. In 2021–22, initiatives funded by the Illinois EPA Green Infrastructure Grant program kept 1.2 million gallons of stormwater out of waterways through 11 Illinois EPA funded projects. A majority, 70%, of communities with Municipal Separate Storm Sewer Systems have adopted annual street sweeping and leaf collection practices. The stormwater sector continues to provide public education on nutrient loss reduction from public and private property.

"Our partnership with NLRs allows University of Illinois' research scientists and outreach educators to engage with industry experts and agricultural producers across the state, all in the pursuit of enhancing the health of our waterways," said Dr. Shibu Kar, Illinois Extension Assistant Dean and Program Leader for Natural Resources, Environment,

and Energy. "The findings in this report underscore the need to deepen our understanding of nutrient dynamics. It's imperative that we bolster our research efforts and foster stronger ties with farming communities in priority watershed areas, ensuring the widespread adoption of best management practices."

A variety of factors contribute to rising nutrient loads, including increased streamflow, legacy nutrients, nutrient management practices, and unknown sources. The impacts of climate change, particularly increased runoff and drainage, intensify river loads and will require greater efforts to achieve the strategy's water quality goals.

Despite the ongoing implementation of nutrient loss reduction practices by each sector, challenges remain. In particular, the agricultural sector must rapidly adopt conservation practices on a wider scale. Continued support for research, conservation initiatives, and financial and technical assistance is critical.

More work is needed to encourage the voluntary adoption of agricultural conservation practices and foster deeper community engagement at the watershed level. Collaboration with partner organizations remains essential to realizing the water quality and implementation goals of the Illinois NLRs.

The 2023 NLRs Biennial Report and an executive summary are available at [go.illinois.edu/NLRS](http://go.illinois.edu/NLRS). Print copies of the report and executive summary are available upon request to [NLRS@Illinois.edu](mailto:NLRS@Illinois.edu).



## USDA announces Specialty Crop Block Grant Program funding awarded to Illinois

SPRINGFIELD – The U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) awarded over \$544,000 in Fiscal Year 2023 Specialty Crop Block Grant Program (SCBGP) funding to Illinois. With this grant, the Illinois Department of Agriculture will fund projects that enhance the competitiveness of specialty crop products and create new market opportunities for the state's specialty crop producers.

"Illinois farmers build the backbone of our state's number one industry—generating billions in revenue and making sure our families are fed," said Governor J.B. Pritzker. "Thanks to the Specialty Crop Block Grant Program and the USDA, we are dispersing more than half a million dollars across eight projects, so our specialty crop producers have the resources they need to not just continue the work they love most, but dive into exciting new endeavors that will benefit our communities and our industry alike."

"In order for our residents to have fresh and nutrient-dense food at our tables, we must continue to invest in our state's number one industry," said Lt. Gov. Juliana Stratton. "The Specialty Crop Block Grant Program will fund and support our local farmers in every corner of our state."

"With this year's Specialty Crop Block Grant funding, Illinois is investing in innovative projects that will help address the needs of specialty crop producers within the region," said USDA Under Secretary for Marketing and Regulatory Programs Jenny Lester Moffitt. "The funded projects will also further USDA's efforts to ensure

U.S. specialty crop products remain competitive in markets across the nation and abroad."

Through the SCBGP, the Illinois Department of Agriculture will fund eight projects. Among IDOA's projects is \$50,000 for the Gardeners' Growing Food + Equitable Justice Project where gardeners will partner with schools in under-resourced communities. Additional funded projects focus on areas including urban agriculture, disease mitigation in cucurbits, and the shelf life of strawberries.

"Illinois is proud to be the number one producer of pumpkins and horseradish in the United States and is a top-ten producer of asparagus, cauliflower, fresh-cut herbs, peas, mustard greens and lima beans," said Jerry Costello II, Director of the Illinois Department of Agriculture. "To be able to provide these resources to our specialty crop producers who not only support our state, but also the nation, is very rewarding."

The funding to Illinois is part of a total of \$72.9 million in non-competitive FY 2023 SCBGP funding awarded to 54 states, territories, and the District of Columbia. The SCBGP funding supports farmers growing specialty crops, including fruits, vegetables, tree nuts, and nursery crops. USDA's support will strengthen U.S. specialty crop production and markets, ensuring an abundant, affordable supply of highly nutritious fruits, vegetables, and other specialty crops, which are vital to the health and well-being of all Americans.

The funding for the SCBGP grants is authorized by the 2018 Farm Bill and FY2023 funding



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is awarded for a three-year period beginning Sept. 30, 2023. Since 2006, USDA has invested over \$1 billion through the SCBGP to fund nearly 12,000 projects

that have increased the long-term successes of producers and enhanced marketing opportunities for U.S. specialty crops products.

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## Illinois breaks wheat yield records for third straight year

By PHYLLIS COULTER  
FarmWeek

Illinois wheat growers broke yield records for the third year in a row.

Farmers not only broke the record in 2023, they “smashed it,” according to Mark Schleusener.

Usually when a record is broken, it is by one to two bushels per acre, last year it was by eight, said Schleusener, Illinois state statistician for USDA’s National Agricultural Statistics Service (NASS).

The new state average wheat yield estimate for 2023 is 87 bushels per acre, up from 79 in 2022.

“We kind of smashed the record,” he said on Dec. 18 when the data was released.

Illinois wheat farmers also broke county high yield records. It is the first time a county averaged more

than 100 bushels per acre, he said. Again, the year’s results blasted past that with five counties surpassing that mark.

Tazewell County took top honors with the highest average yield in the state at 108.5 bushels per acre.

Stephenson, Knox, Jo Daviess and Gallatin counties all also topped the impressive 100-bushel-county-average.

“It was a remarkable year to grow wheat in Illinois,” he said.

While noteworthy, the high yields weren’t a complete surprise. An Illinois wheat tour projected high yields as did NASS.

“Every time we gave a new forecast, it got higher,” the state statistician said.

In both May and June, the forecasts were 78 bushels. In both July and August in more mature crops, esti-

**The new state average wheat yield estimate for 2023 is 87 bushels per acre, up from 79 in 2022.**

mates leaped to 84 bushels per acre and stayed there. The new number of 87 bushels also comes from a larger sample size, Schleusener said.

Washington County, which has the most wheat acreage in Illinois, had the highest production last year coming in at more than 6.4 million bushels.

Randolph County came in second in total production, just shy of 3.4 million bushels, and Perry County came in third with almost 3 million bushels.

Earlier in the year, some people scoffed at the high yields projected by the Illinois Wheat Association

(IWA) after its annual wheat tour in May.

Four participants projected an average of 97.1 bushels per acre based on 57 samples from 20 counties, mostly south of Interstate 70. The projections were far above anything ever seen in this part of Illinois.

During the tour, IWA used a new method to enhance crop scouting with more focus on spikelet measurements and tiller counts to make yield projections. The results, using the new technique, were greeted with some skepticism because they were so much higher than in the past.

“Everybody kind of

laughed at us,” said Mark Krausz, IWA president. But no one is laughing now. “I think we were pretty accurate,” he said.

Projections in previous years had been considerably lower than the actual final yield, so the IWA sought the help of the University of Illinois for some tweaks in its forecasting to be more accurate.

The new system including spikelet and tiller information proved much more precise, especially taking into consideration the dry weather that followed the wheat tour. The lack of rain brought yields down a little from the earlier potential tour members saw in May,

Krausz said.

“Not everybody had exceptional wheat, some wheat was just good,” said the Clinton County farmer of areas that didn’t receive timely rains during the year.

As for 2024’s wheat crop, Krausz said it’s looking good so far. Like last year, milder temperatures helped the winter wheat get off to a good start.

“I’ve been all over the state and it has real good potential,” he said.

*(This story was distributed through a cooperative project between Illinois Farm Bureau and the Illinois Press Association. For more food and farming news, visit [FarmWeekNow.com](http://FarmWeekNow.com).)*



Illinois wheat growers broke yield records for the third year in a row in 2023. (FarmWeek file photo)

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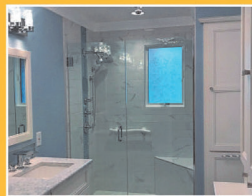
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## Farmers for all seasons: Learn what Illinois farmers do in winter

By RACHEL BERTONE STROOP

Illinois Farm Bureau Partners

When the weather cools down and the days get shorter, you might think Illinois farmers finally have time to relax since growing and harvesting seasons have ended.

Think again. Winter is still a busy time for farmers, whether raising livestock or poultry or growing fresh produce.

Meet two Illinois farmers and learn why there's still plenty for them to do in the winter.

### Winter work

Logan and Jessa Karcher run Burnt Hill Cattle Company, a fourth-generation family farm in Dahlgren. The couple purchased the farm from his grandmother in 2018 and began their farm a year later with the goal of being stewards of God's land to raise high-quality meat.

"We dove deep into regenerative grazing, focusing on soil health and plant diversity," Logan Karcher says. "Healthy soils lead to healthy plants that are grazed by the livestock. This turns into a healthy meat product for consumers to enjoy."

Burnt Hill produces beef, pork, lamb and chicken that is sold both on the Karcher farm and at the Higginson Farms stores in McLeansboro and Carmi.

Karcher says raising livestock is a 365-day-a-year job, and the winter months at Burnt Hill Cattle Company can be just as demanding as the summer. Key responsibilities for the season include monitoring the cattle's grazing and budgeting the hay to ensure what is stored lasts the season, as well as water management and business planning.



At Burnt Hill Cattle Company, the Karchers utilize rotational grazing starting in mid-September to save some pastures for the cattle to eat during the winter. (Photo by Nathan Lambrecht/©Journal Communications)

For many livestock farmers, the price of hay and feed is at its highest in the winter.

"Knowing this information, we work all year long to help lower the cost in that one area on our budget sheet," Karcher says. "By using regenerative grazing practices throughout the grazing season, we're able to stockpile forages (the plants eaten by cattle, such as fescue) for winter grazing. We still use hay in the winter, but our hay cost is cut in half by bettering forage density, cover crops and grazing management."

Regenerative grazing, also known as rotational grazing, refers to moving livestock to different pastures frequently to maintain soil health. Karcher says in mid-September they begin to stop grazing on certain pastures, keeping livestock from eating there so that perennial cool-season forage

grasses can grow in those pastures until the first frost. This allows them to save it for winter feeding.

"Fescue is a great forage to stockpile due to its resiliency and ability to grow a lot of dry matter for winter stockpile grazing," he says.

They also buy hay for winter feeding and use it three different ways, depending on how they're trying to improve the pastures as well as the weather. Unrolling the bales is usually the most beneficial, but they also let their cattle graze on bales or feed in bale rings.

After harvest, Karcher plants cover crops in the same fields where he plants some of the farm's other warm-season crops. Another winter task is ensuring his cattle have access to water. He says no matter what the water source is, in the winter it will freeze at some point. Farmers must go out multi-

ple times daily to break up the ice and ensure animals have water.

"It's a never-ending job, especially during the weeks it stays freezing," he says.

Finally, Karcher says winter provides farmers time to plan future updates

to the farm and create new marketing plans.

"A lot of good research can happen in these months," he says. "For us, budget, future projects and meat sale goals are made. Goals are really important to make sure the business is improving and moving forward. We like to set quarterly and yearly goals to make sure we're selling our meat and taking the right steps to gain new customers."

### Year-round yields

Like Burnt Hill Cattle, Joy Lane Produce in West Salem stays busy in the colder months.

Founded in 2015, Andrew and Heather Spray started their produce business so Andrew could return to the family farm full time after working in sales. The hydroponic produce farm specializes in lettuce and other greens. This means plants grow within a greenhouse using a water-based nutrient solution rather than soil, giving the Sprays additional flexibility.

"Our greenhouse is considered commercial size, and we can grow around 6,000 heads of lettuce and

greens at once, not including what's in our nursery," Heather Spray says. "We plant and harvest every week of the year."

Spray says hydroponics was unique to the area and fit nicely with the family's grain farm. They also enjoy offering fresh produce to customers year-round when it might not be typically available.

Joy Lane grows collards, kale and five different varieties of lettuce year-round, as well as seasonal basil and spinach. Spray says they sell most products wholesale, but customers can still purchase directly from their small retail shed on-site, too.

"We might not have every variety available every week in the winter, but we still try to offer a continuous supply to our customers," she says. "Eating a fresh salad in winter is so delicious."

(This story was distributed through a cooperative project between Illinois Farm Bureau and the Illinois Press Association. For more food and farming news, visit [ILFBpartners.com](http://ILFBpartners.com).)

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## How rising food demand is affecting farming

The population is growing and so is its demand for food to fuel those extra bodies. Harvard Business Review reports the global population has quadrupled over the last century. It's predicted that, by 2050, the population will exceed nine billion people.

The world is not able to feed all of its inhabitants, according to Penn State. There are more than one billion people who are estimated to lack sufficient food, and two billion who do not receive adequate nutrition. Researchers from the Institute on the Environment at the University of Minnesota concluded that, to feed the world by 2030, yields on maize, rice, wheat, and soybeans will have to rise by 60 to 110 percent. At the start of 2023, projections show them only increasing by 45 to 60 percent. There are a few reasons why food supply may not meet up with demand.

- Climate change: Climate change is predicted to cause issues to crop yields, especially in portions of the world where the population is growing the fastest. For example, a recent NASA



study published in the journal Nature predicts that high greenhouse gas emissions may cause corn output to decline as early as 2030, but wheat output would increase. Farmers may need to roll with the punches and shift operations to cope with the environmental changes.

- Decreased commercial farming interest: Fewer people are working in farming. Land prices for expansion, new government mandates and regulations, and the impact of immigration and trade policies have made farming less attractive than

it once was. Fewer commercial operations result in a diminished food commodity output.

- Consumer waste: Food loss and waste (FLW) is a widespread issue, posing a challenge to food security. The World Bank estimates 30 percent of all food across the globe is wasted, amounting to 1.3 billion tons of food per year. The average global household wastes 74 kg of food each year, according to the United Nations Environment Programme's 2021 Food Waste Index. Food waste is an issue that needs a solution as the world looks for ways to feed an expanding population in the decades to come.

In order to improve output, farmers have to make some changes. These can

include investment in tools and technologies that enable farmers to apply nutrients more precisely and at lower cost, advises the Environmental Defense Fund. Seeds that need less water and fewer nutrients, as well as new fertilizers that are less likely to be lost to air and water, are some additional ideas. Farmers also may want to employ green practices, such as hydroponics and drip irrigation, if they haven't already, to improve efficiency and cut costs. The public also may need to petition their lawmakers to make it easier for farm workers arriving on working visas to man the fields.

Food demand continues to rise, and it has become challenging for agricultural operations to keep up.

## Steps farmers can take to combat climate change

Climate change is a challenge the world must confront together. Though people from all walks of life and in all corners of the world will be affected by rising global temperatures and the ripple effects of such increases, the impact of climate change on the agricultural sector figures to be especially significant.

Farmers have been on the front lines in the fight against climate change for decades. When storms strike and climate patterns shift, farmers must find ways to adapt or potentially lose their livelihoods. Experts warn that the planet is warming at a pace that could prove devastating. For example, one assessment conducted under the World Climate Research Programme and published in 2020 in the Reviews of Geophysics concluded that the warming range of the planet will be between 2.6°C and 3.9°C.

Everyone must do their part in an effort to avoid the more drastic outcomes associated with climate change. Farmers can explore these ways to combat climate change as they look to protect their personal and financial futures.

- Curtail methane emissions. The European Environment Agency notes that capturing methane from manure is one way for farmers to reduce agriculture-related greenhouse gas emissions. The California Climate & Agriculture Networks notes that more than half of the state's agricultural emissions come from livestock in the form of methane. The nonprofit organization Foodwise reports that holistic, pasture-based livestock management utilizing practices like rotational grazing can help mitigate methane emissions from livestock.

- Emphasize efficient use of fertilizers. The EEA recommends efficient use of fertilizers as another means to reduce agricultural greenhouse gas emissions. The National Institute of Food and Agriculture at the U.S. Department of Agriculture notes that the greatest efficiency typically comes from the first increment of added fertilizer/nutrients, with each additional increment thereafter resulting in lower efficiency. Making every effort to make the most of initial applications can save farmers money and reduce the impact on the environment.

- Participate in and help promote local farmers markets. Foodwise notes that food in the United States travels an average of 1,500 miles before it ends up on consumers' plates. Transporting foods that far contributes to more greenhouse gas emissions. Farmers who can sell to local farmers markets can help reduce such emissions. Promoting those efforts via social media pages or other public platforms can increase consumer awareness of the availability of fresh, locally grown foods.

The challenges posed by climate change are not going away. Farmers can take various steps to overcome those challenges.



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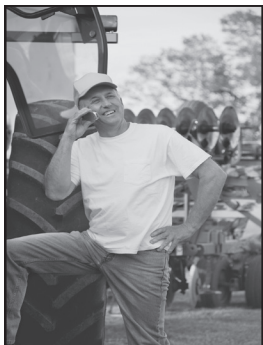
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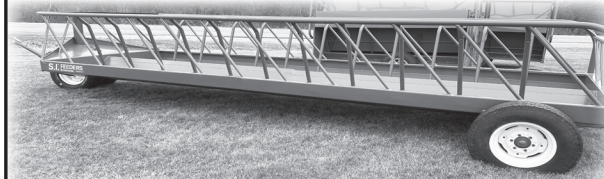


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## ERS report details characteristics of U.S. farms

By TAMMIE SLOUP  
*FarmWeek*

Farming continues to be a family business, with 97% of U.S. farms family-owned and accounting for 90% of farm production.

While most U.S. farms are small family farms (gross cash farm income less than \$350,000), these farms operate on 46% of U.S. agricultural land and account for 19% of the total value of production.

Statistics like these are outlined in USDA's 2023 America's Farms and Ranches at a Glance report released Dec. 12. The annual report dives into U.S. farm characteristics using data collected from 19,100 farms in 2022.

The survey was conducted by the National Agricultural Statistics Service and Economic Research Service (ERS).

### Farms, production and farmland

Large-scale family farms (gross cash farm income of \$1 million or more) accounted for 52% of the total value of production and 25% of agricultural land in 2022. Midsize family farms (farm income between \$350,000 and \$999,999) accounted for 21% of agricultural land and 19% of the total value of production.

"We can see large-scale family farms dominate the production of most commodities, including beef, hogs, cash grains and soybeans, cotton, dairy and specialty crops, and the remaining commodities, poultry and eggs and hay, small family farms and mid-sized family farms dominate the production," co-author and ERS Agricultural Economist Katherine Lacy said during a webinar. Nonfamily farms ac-

counted for the remaining 3% of farms, and 16% had a farm income of \$1 million or more.

### Farm financial performance

Most small family farms have an operating profit margin (OPM), or share of gross income that is profit, of less than 10%, indicating potentially more financial vulnerability, while most midsize, large and very large family farms reported OPMs above 10% in 2022.

"Compared with 2021, the percentage of small family farms in the low-risk zone increased or remained the same in 2022," according to the report. "All other farm types showed a decline in the percentage of farms in the low-risk zone in 2022 relative to 2021.

"This could be due in part to the large increase in prices received compared to the smaller increase in input costs in 2022, resulting in record-high net farm income," according to the report. "However, these returns were not equally distributed across all commodities."

### Off-farm income helping pay for farm expenses

Farm households, in general, were not considered low income or low wealth. In 2022, median farm household income (including both farm and off-farm income sources) exceeded that for all U.S. households but was lower than the median income of all U.S. households with self-employment income.

As in previous years, the median total income of all U.S. family farm households (\$95,418) was greater in 2022 than the median income of all U.S. households (\$74,580). The median total household

income for all family farms in 2022 increased from \$92,239 in 2021.

"About 84% of all U.S. farm households earn the majority of their total household income from off-farm sources and often use off-farm income to cover some portion of farm expenses," the report states. "As farm size increases, the percentage of households relying on off-farm income decreases."

And while self-employment and wage/salary jobs are the primary sources of off-farm income for farm households, unearned off-farm income sources (public and private pensions, interest and dividend payments, asset sales, Social Security payments, and other income sources) provide a significant share of off-farm income relative to total off-farm income."

### Government payments & federal crop insurance

Overall, 13% of farms participated in federal crop insurance in 2022, with participation varying by commodity. About 62% of row crop farms purchased federal crop insurance. In contrast, 9% of farms growing specialty crops purchased federal crop insurance.

Small family farms received 78% of all payments from USDA's Conservation Reserve Program, which removes environmentally sensitive cropland from production and increasingly enrolls grasslands in support of grazing operations. In contrast, 62% of all Natural Resources Conservation Service (NRCS) working-land program payments were received by midsize family farms, large-scale family farms, and nonfamily farms. These programs include NRCS's Environ-



Farming continues to be a family business, with 97% of U.S. farms family-owned and accounting for 90% of farm production. (Photo by Catrina Rawson)

mental Quality Incentives Program and Conservation Stewardship Program, both of which incentivize adopting certain agricultural production practices.

Overall, 25% of all farms reported receiving some type of government payment in 2022, a decline from 34% in 2021 and 40% in 2020. The decline is largely due to the tapering of COVID-19-related assistance payments, according to the report.

The report also contains two new sections: usage of credit by lender type and farm size, and the differences in farm operations

by race and ethnicity of the operators.

With credit usage, about 26% of all U.S. farms held any debt in 2022, and the majority of farms with debt used one lender. Over half of these farms reported loans owed to a commercial bank, compared to 8 to 10% with loans serviced by USDA, Farm Service Agency, and 31 to 43% with loans serviced by the Farm Credit System.

Among socially disadvantaged farms, non-Hispanic Black farms differ most compared to non-Hispanic White farms in terms of size, specialization and fi-

nanacial outcomes. Non-Hispanic Black farms are more likely to specialize in cattle production and be classified as intermediate rather than residence or commercial farms. They also are more likely to have an operating profit margin in the high- or medium-risk zones and are less likely to report the use of debt.

To read the full report, visit [bit.ly/41iDLK3](https://bit.ly/41iDLK3).

(This story was distributed through a cooperative project between Illinois Farm Bureau and the Illinois Press Association. For more food and farming news, visit [FarmWeekNow.com](https://FarmWeekNow.com).)



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