Approved: <u>Sugere Isline 1-29-93</u>
Date

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Eugene Shore at 9:05 a.m. on January 21, 1993 in Room 423-S of the Capitol.

All members were present except: Representative Vickrey - Excused

Committee staff present: Raney Gilliland, Legislative Research Department

Jill Wolters, Revisor of Statutes Kay Johnson, Committee Secretary

Conferees appearing before the committee: Stan Ward, Director, FACTS

Roger McCollister, Executive Director, Kansas Legal Services

Chairman Shore called the meeting to order and introduced Stan Ward, Director of the Farmers' Assistance, Counseling and Training Service Program (FACTS), attachments #1 and #2. Mr. Ward provided statistical information on FACTS clients, attachment #3, and briefly discussed services offered such as FarmLink, Kansas Agricultural Mediation Services and the Kansas Workers' Re-Entry Hotline, attachments #4, #5 and #6.

Regarding FARMLINK, Representative Goodwin asked if people were getting out of farming because of retirement or for economic reasons. Mr. Ward stated that to his knowledge the decision has been by choice and not because of foreclosure.

Responding to Chairman Shore's and Representative Bryant's questions about the increase in the number of FACTS clients, Mr. Ward said a large percentage is due to new programs and also due to the 300% increase in delinquency notices the Farmers Home Administration sent out last year.

Representative Lloyd expressed his concern over the perception that FACTS helps people take advantage of the system. Mr. Ward explained there have always been perception problems, but FACTS has and will continue to turn down clients who might be trying to take advantage of the system.

Roger McCollister, Executive Director, Kansas Legal Services (KLS), addressed the committee and cited statistics showing the goal to keep farmers in farming is working, attachments #7 and #8. Mr. McCollister stated that since 1985 KLS has been providing legal assistance to Kansas farmers through referrals from FACTS.

Representative Reinhardt asked about funding for KLS. Mr. McCollister explained that as a not-for-profit business it is funded through about 60 different sources, both with state and federal funds. Approximately 5% of their business is with farming clients and that is funded through a grant from the Kansas State Board of Agriculture.

The meeting adjourned at 10:00 a.m. The next meeting is scheduled for January 26, 1993.



FARMERS' ASSISTANCE, COUNSELING AND TRAINING SERVICE

A PROGRAM DESCRIPTION

Stan Ward Director

9 Leasure Hall Kansas State University Manhattan, Kansas 66506 Admin Phone: 913-532-6958

HOUSE HER ICULTURE

ATTACHMENT#1

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THE FARMERS' ASSISTANCE, COUNSELING AND TRAINING SERVICE

PROGRAM IMPLEMENTATION

The Farmers' Assistance, Counseling and Training Service (FACTS) was conceived out of need. In the mid 1980's, the U.S. agricultural economy was reeling from the worst economic depression since the 1930's; farms were failing, businesses were closing, families were being displaced and the countryside was in the most dramatic period of transition of this century.

What little assistance that was available to farm operations and rural communities came from a hodgepodge of unrelated, unorganized programs - some ill-advised and some even illegal. Even those few legitimate channels the agricultural community had traditionally used were of limited benefit because of the reluctance and/or inability of existing service providers to deal one-on-one with individuals in situations involving rapid, radical change in which there was little or no precedent.

The most profound need, therefore, was for an easily accessible entity that:

- 1. would listen to individuals, families, businesses and even communities and respond to their stated needs, not a pre-determined assessment of what researchers or experts believed their needs to be.
- 2. would help its clients through a process of self assessment and strategic planning as a means of setting viable goals for economic self-sufficiency.
- 3. would provide immediate response without bureaucratic hassles, red tape or excessive eligibility criteria.
- 4. would provide reliable and factual information and/or technical assistance.
- 5. would get involved one-on-one with clients and stay with them throughout the entire transition period.

Toward this end, FACTS was initiated as a program of service and assistance to rural families, businesses and communities in July, 1985.

PROGRAM DESCRIPTION

Over the years, FACTS has served as a national and international model for rural transition programs. Its services span the broad range of community development services from business and financial support services to human services to educational programs. But basically, FACTS services fall into five categories as follows:

DIRECT CLIENT SERVICES

- 1. Financial Analysis Services FACTS provides direct counseling, referrals resource coordination and case management to farms and other rural businesses needing access to low cost financial analysis.
- 2. Income Diversification Planning FACTS provides direct counseling, referrals, resource coordination and case management for farm and business entities needing to broaden their income base to increase financial stability.
- 3. Entrepreneurial Development through staff counseling and referral to specialized development resources, assistance can be provided to clients wanting to start new, sometimes innovative marketing or business projects.
- 4. Credit Counseling Services through staff counseling, referral to private farm credit counselors and through extensive resource coordination and case management, clients have access to professional credit counseling and financial assistance.
- 5. Debtor/Creditor and Family Mediation Services voluntary mediation with trained debtor/creditor and family mediators is available at no cost to all clients upon request. Mediation usually is requested in situations where few alternatives to litigation exist, where communications between individuals and lender(s) has broken down or in situations where communications within a family have broken down to the point the farm or business operation is threatened.
- 6. Legal Assistance co-pay legal assistance (fees ranging from \$1.00 to \$40.00 per hour, based on ability to pay) is available to clients at 12 locations throughout the state. These services range from simple legal advice to direct representation in court, if necessary.
- 7. Crisis Intervention Services due to the extreme nature of the stresses clients experience, it has been necessary for FACTS to develop a crisis intervention capability in situations involving potential suicide or violence against others.
- 8. Family Needs Assistance FACTS provides counseling, referrals, resource coordination and case management for families needing food, clothing, help with utilities, medical assistance and other types of basic family needs.
- 9. Mental Health Support FACTS provides counseling, referrals, resource coordination and case management for individuals and families needing mental health counseling.

- Employment/Retraining Assistance FACTS provides referrals, resource coordination and case management for individuals needing employment or retraining assistance.
- 11. Relocation Assistance FACTS provides referrals, resource coordination and case management for individuals and families when it becomes necessary for them to move to other communities or urban areas.
- 12. Innovation Clearinghouse FACTS provides documentation and cataloging of innovative financial and legal responses to specific problems that might be transferable to other situations for other families, farms, businesses, or communities.

COMMUNITY SERVICES

- Assistance Directories FACTS has developed an extensive library of state-wide directories of emergency assistance resources and regional directories of agricultural, social service, community and legal assistance sources for use by both the staff and other helping professionals who have direct contact with distressed farmers and other rural residents.
- Community Response Assistance FACTS provides technical assistance to communities and organizations in developing local responses to specific rural situations and needs.
- 3. Bank Closing Response Teams when a bank closes in Kansas, FACTS is immediately notified by the Bank Commissioner. The staff then develops a team of assistance professionals who go to the community (usually within 24 hours) to help residents understand what a bank closing means to individuals and the community as whole. Also, specific assistance is made available to individuals whose loans were taken over by the FDIC by helping them understand how to work with the FDIC and how to get refinanced with other lending institutions.
- 4. Community Resource Meetings one of the most consistent case management problems encountered is the lack of information exchange between local programs and agencies. As a means of over coming some of this difficulty, FACTS is continually coordinating local meetings among community programs and agencies so their staff will better understand the full range of services available locally, regionally, and state-wide.

MONITORING OF THE RADICAL RIGHT AND OTHER CRIMINAL ACTIVITIES

It is a simple fact that when any segment of the economy has economic problems, the criminal element of a society is strongly attracted. The farm crisis has been no exception. During the mid-80's movements such as the Posse Comitatus, the Aryan Nations, the White Identity Movement and other Neo-Nazi organizations set their sights on distressed farmers as easy prey for recruitment, scam, and victimization. Additionally, there have been other

criminal elements (e.g. the Mafia and Colombian Drug Dealers) who have seen the farm crisis as a means of laundering illicit money through farmers and farm communities. And last, but certainly not least, there has been a preponderance of criminal types whose sole purpose as individuals was to deceive Kansans for their own individual profit.

No farm state has been immune to these problems. The criminal activities of these organizations and individuals have been constant, unceasing and creative. But, very early in its existence, FACTS staff became aware that this mostly underground type of criminal activity was developing in Kansas at an alarming rate.

Accordingly, FACTS developed careful and well considered <u>cooperative</u> responses to help counter such activities in Kansas.

Primary responses in this arena are:

- 1. close coordination with the Kansas Attorney General and the Kansas Bureau of Investigation.
- 2. close linkages with local Kansas law enforcement officials.
- 3. a direct link with the U.S. Department of Justice.
- 4. participation in an information network of farm state Attorney Generals.
- 5. co-sponsorship with the Kansas Attorney General; the Reno County Law Enforcement Training Center; and the U.S. Department of Justice of several workshops on the radical right and other criminal elements for Kansas law enforcement officials (attendance at these workshops averaged over 400 law enforcement officers and the last workshop was used by the U.S. Department of Justice as a model for other workshops around the nation).

One direct result of our cooperative response to this unseemly side of the farm crisis is that Kansas has experienced far less such activity than any other farm state in the nation. Our activities have served the state well by increasing the level of awareness of this kind of activity among appropriate authorities. And, perhaps just as important, the constant information flow from FACTS to appropriate authorities has permitted most such activities to be curtailed before they were able to fully develop.

EDUCATIONAL SERVICES

- 1. Professional Training Programs the staff has developed considerable expertise in each of their respective professional disciplines and, as a result, are frequently asked to provide workshops and training to professionals in other agencies and a wide variety of professional organizations. These topics range from technical aspects of their various professional disciplines to the socio/psycho/economic characteristics of rural families in trouble and how to work with them.
- 2. Volunteer Training Programs much of FACTS outreach work with clients is provided by volunteers. To maintain a network of available and competent volunteers takes constant recruitment and continuing training. These efforts have

- been directed primarily toward mental health support groups (peer support) and a suicide intervention network.
- 3. Community Education Programs FACTS is frequently requested to develop and conduct public workshops, seminars and conferences on topics of timely importance to the Kansas rural community. Of particular significance is the
- 4. Working with Rural Families Conference conducted annually in cooperation with the Family Center at Kansas State University. This event has, in five years, become the premiere national conference addressing rural family issues.
- 5. Rural Women's Conference conducted annually in cooperation with the Interfaith Rural Life Committee and the Kansas Rural Center. This event has, in the past three years, become the premiere regional conference addressing rural women's issues

GOVERNMENTAL AND INSTITUTIONAL LIAISON SERVICES

- 1. Legislative Affairs because of the constant inflow of information and data relating to the socio/psycho/economic dynamics of rural communities. FACTS serves as a very valuable resource to both the state and federal legislative process. This is accomplished by providing a constant flow of research data, testimony and legislative proposals to address the needs of agriculture, rural businesses, rural residents and rural communities in general. Through this process, innumerable pieces of federal and state legislation have been initiated (or modified) to respond to specific rural needs.
- 2. Institutional Development one of the primary innovations of FACTS has been the creative and active manner in which linkages and networks of cooperation have been developed between federal, state and local government; land-grant university programs; private sector for-profit businesses; and non-profit organizations. The resulting cooperation has greatly multiplied access to services, utilization of resources, and quality of services in a cost-effective manner. Of particular relevance and pride has been the extent to which other agencies have set up major program initiatives to respond to rural problems based on needs identified and articulated by FACTS. Several major examples would be:
 - the <u>Beginning Farmer Program</u> to provide low interest financing and start-up assistance for new and re-entering farmers through the Kansas Developmental Finance Authority.
 - the <u>Rural Assistance Center</u> to provide FACTS type services for rural businesses and community governments through the Kansas Department of Commerce.
 - the <u>Kansas Center for Rural Initiatives</u> to coordinate University resources toward developing solutions for overcoming rural problems through Kansas State University.
 - the <u>Rural Employment Assistance Program</u> through the Kansas Department of Human resources (currently discontinued).

FACTS is uniquely structured in an interdisciplinary model which combines a multitude of services in one office; offering a team approach unique in the degree in which the assistance providers are located together in one location; available through one contact point; and able to consult together in the process of assessing client needs; regardless of whether that client is an individual, a family, a business or a community, then, drawing upon and coordinating the efforts of extensive state-wide networks of resources.

In fact, the primary innovation of the FACTS program has been the creative manner in which linkages and networks of cooperation have been developed between federal, state and local government; education institutions; private sector for-profit businesses; and non-profit organizations. The resulting cooperation has greatly multiplied the access to services, utilization of resources, and quality of services in an extremely cost-effective manner.

PROGRAM CONTRIBUTION

Since its inception, FACTS has provided assistance to more than 50,000 clients who represent every strata of rural Kansas. Included in this number are probably more than half of the state's commercial farmers; hundreds of rural business and communities; hundreds of beginning farmers and new entrepreneurs; and professionals from nearly every organization or program that provides services in rural Kansas.

FACTS has been identified by many people in many ways. But most frequently clients tend to describe the program in very personal terms as relates to the assistance they received. For some, it has been a farmer advocacy program. For others, it has been an entrepreneurial development program, a legal assistance program, a family assistance program, an employment/retraining program, a conflict resolution program, or a community development program. In a sense FACTS has been and is all of these things. But, most typically, FACTS is identified as a *rural transition program*. For regardless of all else, FACTS serves individuals, families, businesses, and communities in transition.

In the final analysis, however, FACTS most significant achievement is not the number of clients it has served nor the broad range of services it provides nor even the number of other programs it has spawned. It is, simply, the empowerment of those it serves with the capacity to participate actively in their own self-determination and self development through an enhanced ability to make informed decisions informed as to the reality of their situations, their strengths, their weaknesses, their rights, and informed as to a broader understanding of the possible options upon which to build a more hopeful future.

FARMLINK OF KANSAS

WHAT IS FARMLINK OF KANSAS?

FarmLink is an initiative to foster the transition of production farms from a retiring generation of farmers to a new generation of beginning farmers.

WHY THE NEED FOR FARMLINK OF KANSAS?

There are now twice as many, farmers over the age of 60 as there are under the age of 35. This simple statement lies at the heart of two major trends occurring in agriculture today:

- 1. the graying of the country's current farmers and
- 2. the dwindling number of individuals entering farming to replace them.

These two factors could result in a rural transition over the next 10 years bigger than the one that occurred during the 1980's. Changes in the number of American farms is nothing new. Around 1860 there were just over 2 million farms in the United States. With the signing of the Homestead Act in 1862, vast areas of the west were opened to individuals and families seeking a new life. As a result, the number of farms increased dramatically. And the total number of farms topped out at some 6.8 million farms in the mid-1930's.

Beginning in the 1940"s, especially following World War II, a significant migration from farms and rural communities to the cities began and the number of farms began to decrease. Slowly at first, then rapidly the number of farms has dropped back to near the level it was in 1860 - just over 2 million farms.

Acreage in agricultural production peaked at about the same time as the number of farms peaked. Since then, however, the total amount of land under cultivation has remained relatively steady even as the number of farms has dropped. The remaining farms, accordingly, have steadily grown larger. Since 1935, the average size of farms has approximately tripled.

Superimposed upon this historic trend toward fewer and bigger farms is the current "graying" phenomenon. Never before has such a large proportion of the nation's farmers been in this older age population. Over the next 10 years, farmers will probably be retiring in record numbers.

Because of the size of operations and the prospect that a large portion of the land will be in transition during the next 10 years, a unique opportunity exists for the next generation of farmers and ranchers. One way prospective farmers and ranchers can take advantage of this opportunity is *FarmLink*, an initiative of the Kansas State Board of Agriculture to foster the transition of farms and ranches from a retiring generation to a new generation of beginning operators.

Despite these handicaps, there has been a strong positive response to the first year of FarmLink and similar programs being offered in other states. We have also been encouraged by discussions with the many land owners who want to see their operation transition to a new generation of farmers, rather than become a part of some larger existing operation.

GOALS OF FARMLINK.

- 1. Provide an opportunity for our next generation of farmers and ranchers to gain access to the land.
- 2. Give prospective farmers access to a statewide directory to assist them in locating land owners who want to sell, lease, or employee a young farmer for their operation.
- 3. Give land owners the opportunity to begin the transition into retirement by providing a pool of prospective contacts.
- 4. Provide information and referrals to land owners and prospects as they approach a business arrangement.
- 5. Encourage both land owners and prospects to develop feasible farm and ranch plans that provide a benefit and opportunity for both parties.

HOW DOES *FARMLINK* PROVIDE ASSISTANCE?

Inquiries are made to FACTS via its toll free 800 number. After filling out a questionnaire, interested parties are listed in a directory of landowners and prospective beginning farmers. Directories are provided free of cost to any interested person or organization. Directories are updated quarterly. Following listing in the Directory, staff work with participants to help them find the opportunity that is right for their situation. This work involves:

- 1. Provide an active match making service for interested parties
- 2. Act as an information clearinghouse for new information that could potentially assist program participants.

- 3. Actively promote the program both in Kansas and nationally.
- 4. Work with Extension, FmHA, KDFA and other interested organizations to present workshops for bringing landowners and prospective beginning farmers together. Specialists in areas of finance, taxation, estate planning, farm management, etc. could be utilized to present a well rounded program for facilitating inter-generation transfer of production farm land.
- 5. Provide referrals for direct face-to-face assistance to FACTS' networks of:
 - financial planning resources (e.g. private financial consultants, CPA's, Extension FINPACK, etc.);
 - financing resources (e.g. commercial banks, KDFA, FmHA, etc.) to provide sources of funding;
 - Realtors to provide a ready source of private sector agencies capable of facilitating land transactions.

DISLOCATED WORKER PROJECTS

During the past calendar year, FACTS has implemented a state-wide, dislocated worker hotline (KANSAS WORKER'S RE-ENTRY HOTLINE) and a rural employment referral and assistance program (KANSAS RURAL WORKS PROJECT) through a cooperative agreement between the Kansas Board of Agriculture FACTS Program and the Kansas Department of Human Resources. This Cooperative Agreement is for state fiscal year FY1993 (July 1, 1992 through June 30, 1993). Project operations are located in the offices of the Farmer's Assistance, Counseling and Training Service at Kansas State University in Manhattan.

The primary focus of these projects is to:

- 1. serve as a state-wide hotline and clearinghouse through which individuals, private and public agencies and communities can access reliable, accurate information about employment and retraining services available in the State of Kansas.
- 2. provide basic re-adjustment assistance and job search education to program participants through cooperating local community agencies.
- 3. provide a point of linkage between local, regional, state and federal agencies to enhance communication and coordination of efforts directed toward employment, retraining and basic re-adjustment services.
- 4. serve as a focal point for the gathering and dissemination of information about new programs, ideas, concepts and methods pertinent to employment and retraining.

PROJECT OPERATIONS: KANSAS WORKERS' RE-ENTRY HOTLINE

The KANSAS WORKERS' RE-ENTRY HOTLINE is operated as a toll free 800 number (separate from the FACTS Hotline) and will be in service 8:00 am - 5:00 pm, Monday through Friday. During nonwork hours, weekends and holidays, the hotline will be on an answering machine with return calls to be made as soon as possible the next workday.

Incoming calls are screened as to type and nature of problem(s) with referrals being made to the five (5) Service Delivery Areas; JTPA; Title III service providers; other KDHR programs; FACTS; and other national, state, regional and local service providers for information and assistance as appropriate to the individual's needs.

Both FACTS' farmers' assistance staff and FACTS dislocated worker project staff receive training by KDHR on dislocated eligibility requirements, special resources available for dislocated workers, SDA locations and projects and other information needed for appropriate referrals.

PROJECT OPERATIONS: KANSAS RURAL WORKS PROJECT

The KANSAS RURAL WORKS PROJECT has contracted with five (5) existing service providers strategically located throughout the state to provide rural outreach, intake, basic readjustment and job search education services to program participants recruited locally or referred by the KANSAS WORKERS' RE-ENTRY HOTLINE. Services provided by contracting agencies are coordinated state-wide by FACTS Employment/Retraining Specialist under the direction of the FACTS Director.

Contracting agencies contract to meet with program participants on a face-to-face basis and assist them in developing individual readjustment plans. Individual readjustment plans include an assessment of:

- family needs,
- financial circumstances,
- educational attainment,
- employment needs,
- goals for the future, and
- other individual and family considerations as appropriate.

Information gathered through such assessments is utilized in helping program participants identify and access the resources and assistance necessary to achieve direction and goal attainment. Contracting agencies also coordinate and work with FACTS dislocated worker project staff, DHR EDWAA project staff, JTPA, the KS Cooperative Extension Service and local resources (e.g. Community Colleges, Area Vo-Tech Schools, etc.) to provide re-employment tools as necessary. Such tools include, but are not necessarily limited to, individual counseling, informational literature, and/or workshops to provide program participants information on:

- Resume formation
- Job search strategies
- Job application skills
- Interview and follow-up techniques
- Job retention skills.

FACTS staff and FACTS dislocated worker project staff routinely provide training to contracting agency staff on recruitment, intake, and delivery of basic readjustment services. Training includes specific information on crisis intervention, assessment techniques, development of readjustment plans, resource availability, program coordination and other information necessary for appropriate assistance and referrals.

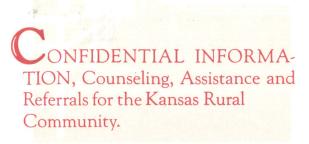
ASSISTANCE
COUNSELING
TRAINING
SERVICE

FACTS IS A JOINT PROGRAM OF THE KANSAS STATE BOARD OF AGRICULTURE AND THE KANSAS COOPERATIVE EXTENSION SERVICE.



CONFIDENTIAL Information, Counseling, Assistance, and Referrals for Kansas Rural Community.

H.Aq.





THE FACTS PROGRAM PROVIDES Confidential Information, Counseling, Assistance and Referrals for:

- Financial Problems
- Legal Problems
- Employment/Retraining Needs
- Personal or Family Crisis
- Basic Family Needs

NEED HELP? CALL TOLL-FREE 1-800-321-FARM (3276)

The FACTS Hotline is answered by trained counselors 24 hours a day, except 8:00 a.m. to 5:00 p.m. Saturday, Sunday, and holidays. Messages left with evening personnel or on the answering machine on weekends or holidays will be returned by FACTS specialists the next work day.

ARMERS A TANCE, COUN-SELING and Training Service (FACTS) is a program that was established by the 1985 Kansas legislature. It began operation on 1 July 1985 and was designed to assist Kansas farmers, ranchers, agribusinessmen and their families in avoiding or alleviating the problems and stress resulting from the current agricultural economic crisis.

In simpler terms, the FACTS program was developed to serve as the state's point of first assistance for individuals and families in crisis by:

- Helping Kansas farmers, ranchers and agribusinessmen save the family farm or business whenever humanly possible.
- Helping families cope with the stress and other problems that result from living under today's economic conditions.
- And, when absolutely no way can be found to save the farm, ranch or business, helping families make a successful transition to other lifestyles.



The FACTS program is a no cost service offering information, counseling, assistance and referrals through a toll free telephone hotline staffed by professionally qualified specialists and supplemented by a statewide network of cooperating agencies and programs capable of providing direct assistance. House AGRICULTURE

ATTACHMENT #2-1

FACTS Statistical Information

January 1993

FACTS Contacts: 1 July 1985 to 30 September 1992

Client Files	13,483
Dairy contacts (1991 only)	1,470
FmHA contacts	1,403
Elevator Bankruptcy contacts	150
Bank Closing contacts	3,650
Educational/Outreach contacts	30,500
TOTAL CONTACTS (Approximate)	50,656

Personal Data

Sex	Percent	Average Age	Average Years Farming
Male Clients:	68.57%	46	23
Female Clients	31.43%	46	23

Age Distribution

Age Group	Percent	,	Age Group	Percent
18 - 30 Yrs Old	12%		56 - 70 Yrs Old	26%
31 - 45 Yrs Old	34%		71 Yrs Old - Up	3%
46 - 55 Yrs Old	25%			

HOUSE AGRICULTURE
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Farm Size

Farms Operating with Owned Acreage Only	42.%
Average Owner Acreage	714
Farms Operating with Rented Acreage Only:	11%
Average Rented Acreage	919
Farms Operating with Both Owned & Rented Acreage	47%
Average Owned Acreage	587
Average Rented Acreage	821
Total Farmed	1,408

Debt Load

Type of Debt	Amount	
Partially Secured Debt	\$286,195	
Unsecured Debt	29,298	
Total Debt	\$315,493	

Client Totals By Year

Year	Total	Year	Total
1985	1,510	1,989	687
1986	1,947	1,990	1,004
1987	1,131	1,991	2,344
1988	891	1,992	3,197

3-4

WILL FARM IN THE FUTURE?

There are now twice as many farmers over the age of 60 as there are under the age of 35. This simple statement lies at the heart of two major trends occurring in agriculture today:

- 1. the graying of the country's current farmers and
- 2. the dwindling number of individuals entering ug to replace them.

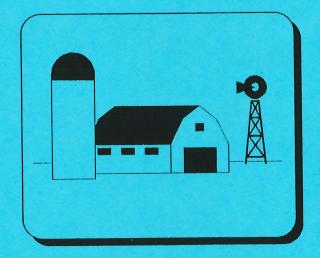
These two factors could result in a rural transition over the next 10 years bigger than the one that occurred during the 1980's. Changes in the number of American farms is nothing new. Around 1860 there were just over 2 million farms in the United States. With the signing of the Homestead Act in 1862, vast areas of the West were opened to individuals and families seeking a new life. As a result, the number of farms increased dramatically. And the total number of farms topped out at some 6.8 million farms in the mid-1930's.

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Acreage in agricultural production peaked at about the same time as the number of farms peaked. Since then, however, the total amount of land under cultivation has remained relatively steady even as the number of farms has dropped. The remaining farms, accordingly, have steadily grown larger. Since 1935, the average size of farms has approximately tripled.

Superimposed upon this historic trend toward fewer and bigger farms is the current "graying" phenomenon. Never before has such a large proportion of the nation's farmers been in this older age population. Over the next 10 years, farmers will probably be retiring in record numbers.

Because of the size of operations and the prospect that a large portion of the land will be in transition during the next 10 years, a unique opportunity exists for the next generation of farmers and ranchers. One way prospective farmers and ranchers can take advantage of this opportunity is *FARMLINK*, an initiative of the Kansas State Board of Agriculture to foster the transition of farms and ranches from a retiring generation to a new generation of beginning operators.



ASSISTANCE AND SERVICES PROVIDED FOR PARTICIPANTS

- Farm financial and management information and referral.
- Brochures and reference material for taxation, estate planning, farm and ranch enterprise management, and financing.
- Current information on state and federal program to assist farmers and ranchers.
- Access to other state programs through the National Family Farm Transition Network.
- ➤ Direct mail notification of educational workshops provided by FARMLINK.
- No cost service for listings in the directory.
- ➤ Toll -free 800 number to access information.

HOW DOES **FARMLINK** PROVIDE ASSISTANCE?

Inquiries are made to FACTS via its toll free number. After filling out a questionnaire, interested parties are listed in a directory of landowners and prospective beginning farmers. Directories are provided free of cost to any interested person or organization. Directories are updated quarterly.

Following listing in the Directory, FARMLINK staff will work with participants to help them find the opportunity that is right for their situation.

If you are interested in participating, you can receive written information about the program by calling:

FARMLINK 1-800-321-FARM

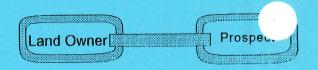
Earl B. Wright
Farmers Assistance, Counseling
and
Training Service
9 Leasure Hall
Kansas State University
Manhattan, KS 66506-3504

- GOALS -

- Provide an opportunity for our next generation of farmers and ranchers to gain access to the land.
- Give prospective farmers access to a statewide directory to assist them in locating land owners who want to sell, lease, or employ a young farmer for their operation.
- Give land owners the opportunity to begin the transition into retirement by providing a pool of prospective contacts.
- Provide information and referrals to land owners and prospects as they approach a business arrangement.
- Encourage both land owners and prospects to develop feasible farm and ranch plans that provide a benefit and opportunity for both parties.

THE KANSAS STATE BOARD OF AGRICULTURE Sam Brownback, Secretary 901 S. Kansas Ave. Topeka, KS 66612

FARMLINK



of Kansas

Providing an alternative to help establish the next generation of farmers and ranchers.



Why Participate in Mediation?

Mediation offers several advantages over other remedies in resolving agricultural credit disputes because the process:

- maintains confidentiality;
- restores and fosters important business relationships;
- allows the parties to reach their own solutions;
- offers a timely, no-cost alternative to litigation; and
- provides an impartial setting in which to openly discuss sensitive financial matters.

Participation in mediation does not constitute a waiver of any legal rights. If a solution is not reached, the parties are free to pursue other legal remedies.

Is There a Fee?

No. Mediation services are free to all Kansas agricultural borrowers and creditors. If participants wish to engage additional legal or financial advisors, they will be responsible for the cost of such advisors.

What If I Can't Afford an Attorney or Finance Advisor?

Legal referrals and/or financial advisor referrals are available through the Farmers Assistance, Counseling and Training Services (FACTS). Services may be available at low- to no-cost, depending on your ability to pay. For information contact FACTS at 1-800-321-3276.

What If I Ca or Finance

For more information about mediation services, call toll-free:

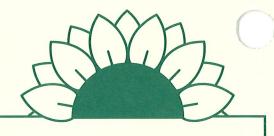
Kansas Agricultural Mediation Services (KAMS) 901 S. Kansas Ave. Topeka, KS 66612-1280 913-296-0063

1-800-232-0468

FARMERS
ASSISTANCE,
COUNSELING
AND TRAINING
SERVICE (FACTS)

1-800-321-3276





Kansas Agricultural Mediation Services

"Alternative dispute resolution for Kansas farm borrowers and creditors."

. .ansas Agricultural Mediation Services (KAMS)

Farmer-Creditor Mediation - A service provided by the Kansas State Board of Agriculture.

"hat is Mediation?

mediation is a voluntary, confidential process in which a neutral third party (the mediator) helps farmers and creditors identify issues, options, and possible solutions.

A mediator has no decision-making authority. Unlike a judge or an arbitrator, a mediator cannot decide what is right or "make" anyone do anything. Successful mediation is almost always based on the voluntary cooperation and participation of all the parties.

What Are Its Objectives?

To provide a time-saving, cost-effective alternative to litigation.

- To restore communication between disputing parties.
- To provide a neutral setting in which they can openly discuss all issues involved.
- To guide the participants through the negotiation process in an effort to reach a mutually acceptable agreement.

How Does Mediation Work?

The mediation process includes the following steps:

- A Kansas farm borrower or creditor contacts KAMS to request mediation.
- KAMS contacts the other parties involved to obtain their agreements to participate in mediation.
- KAMS prepares a "Mediation Overview"
 which describes the operation and debt load.
 The overview is the basic document of mediation and is shared with participants prior to mediation.
- A mediator is assigned and a mutually convenient time and location is arranged for the meeting.
- The mediator facilitates open, frank discussion at the mediation session.
- The participants discuss all issues, options, and possible solutions.
- Participants reach agreement or "agree to disagree."
- The participants determine among themselves all components of any agreement reached.
- KAMS will provide a copy of the agreement ("Memorandum of Understanding") to all parties.
- Implementation steps are the responsibility of the mediation participants.

Who May Request Mediation?

Mediation may be requested by any Kansas agricultural borrower or creditor.

When Can It Be Requested?

Mediation can be requested at any time. It usually occurs after FmHA or another creditor advises the farmer of loan delinquency and informs the farmer of the opportunity to request mediation services.

It is not necessary that a foreclosure or bankruptcy proceeding be filed or contemplated before mediation is requested. Mediation may be more successful while options are still available.

How Long Will the Process Take?

The mediation program has been designed for expedient dispute resolution. The actual negotiation session is usually conducted within 3 to 4 weeks of receiving a signed request for mediation. Normally, the entire process will not be extended for more than 60 days without the consent of all parties.

Agricultural mediation services are available to all eligible persons on an equal basis without regard to age, sex, race, color, religion, national origin, marital status, or handicap.

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284 Help Wanted, Misc.

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CALL: -800-257-WORK The Kansas Workers' Re-Entry Hotline



A service of the Kansas Department of Human Resources and the Kansas State Board of Agriculture through the Farmers Assistance, Counseling and Training Service.

The Kansas Workers' Re-Entry Hotline

Help for the unemployed is at the end of a toll-free call

job--and the income which comes with it--is an important part of both the physical and mental well-being of all Kansans, rural and urban. Unemployment has the same consequences whether it strikes a worker when a plant closes; a farmer who must leave a family farm; a displaced homemaker; or someone who is forced to close a small business.

When unemployment occurs, it can be catastrophic. Would you know where to call, what to do, where to turn, how to get help, with whom to talk?

Now information is easily available to all Kansans who need help when a job is lost.

Call 1-800-257-WORK

ABoard of Agriculture, is available to help dislocated workers access employment and training services through the Economic Dislocation and Worker Adjustment Assistance Program. The hotline, located in the offices of the Farmers Assistance, Counseling and Training Service, is staffed by trained worker re-entry staff who can evaluate a caller's situation and refer him or her to the appropriate agency for assistance.

When you call

Trained staff who answer the hotline number will determine on an individual basis the needs of each caller. The caller will be asked several questions to gather information on where the caller was last employed; how long he or she has been unemployed; what job skills the caller possesses; and why their last job was terminated. This information will be used by the Kansas Worker Re-Entry Hotline staff to make a preliminary determination of the most appropriate service or combination of services for the caller. He or she may be referred to any one or more of the following services: Job Services interviewers or employment counselors; Job Training Partnership Act representatives; Job Training outreach technicians; or the Department of Social and Rehabilitation Services representatives and local service providers. Help is made more convenient by the 35 local Job Service offices, eight district Unemployment Insurances offices, and 18 Job Training Partnership Act offices located across the state.

How do the programs help?

The Kansas Workers' Re-Entry Hotline will help dislocated workers to access a myriad of services from multiple agencies (if that is what is required) with a single telephone call. These services include:

- Tests and evaluation of job skills, experience and education to match workers with other possibilities for careers and employment.
- Workshops on how to get a job, including communication and interview skills.
- Basic and remedial education to help workers renew old skills or attain a General Equivalency Diploma.
- Counseling to help Kansans overcome barriers to re-employment.
- Supportive services--referrals to local services which can help individuals cope with the emotional costs of job loss, financial obligations, loss of health care benefits, family problems and other distress which may result from a loss of employment.
- Help with job search and development, including finding job openings with local employers and matching people and their skills with jobs.
- Training, including vocational, classroom and on-the-job training.
- Coordination of programming with state, local and federal government and other key segments of the Kansas economy.
- Pre-layoff services--working with plants which are forced to close to help workers before they are out of jobs, working with community and county leaders and officials to identify needs for job training and referrals.

A service to employers as well as workers

Kansas Worker Re-Entry programs can help companies as well as workers soften the pain of unemployment by getting workers involved in programs and back in the workforce quickly. Placement assistance can help companies needing to hire employees save time, money and frustrations

If you know of a business or plant which may close, if you know a worker in need of assistance, or if you have lost your job, help is a phone call away.



HOUSE AGRICULTURE
1-21-93
ATTACHMENT # 6-2

KANSAS LEGAL SERVICES FARM ADVOCACY PROGRAM (FACTS Legal Services)

PROGRAM DESCRIPTION

Since July 1985, Kansas Legal Services, Inc. (KLS), through a grant from the Kansas State Board of Agriculture, has been providing legal assistance to Kansas farmers and ranchers through referrals from the Kansas Farmers Assistance, Counseling, and Training Service (FACTS). There are currently twelve KLS farm specialist attorneys who provide legal services to FACTS clients in every county of the state. The KLS Farm Advocacy Project attorneys provide both advice and legal representation to eligible applicants.

DEMAND

Demand has followed available funding over the years since FACTS began.

Fiscal Year	Cases Com	pleted
1986	350	
1987	175	
1988	167	
1989	160	
1990	205	
1991	214	
1992	197	
1993	213	Open as of 12/31/92

LEGAL PROBLEMS

The primary reason that prompts farm and ranch clients to seek legal assistance through the FACTS program is a problem between the client and a lending institution. During the past six years of the program, seventy-seven percent (77%) of all clients sought assistance because of a difficulty with a lending institution. Foreclosure defense was the specific lending institution problem faced by thirty-one percent (31%) of all clients surveyed. Miscellaneous problems involving grain elevators, landlords, neighbors, and lawsuit defense make up the remainder of the FACTS legal caseload.

HOUSE AGRICULTURE
1-21-93
ATTACHMENT #7

LIENT EVALUATION

The following data are compiled from 949 returned surveys from a total of 1,411 surveys mailed to Kansas Legal Services farm and ranch clients from 1986 through 1992. That is a return rate of sixty-seven percent (67%).

		Cumulative Results	1992 Results
1.	Original problem received satisfactory action by KLS attorney staff.	83%	85%
2.	Valuable additional legal advice or representation was provided.	80%	77%
3.	Satisfied with overall service rendered by KLS farm staff.	85%	83%
4.	Would recommend KLS farm services to other farmers.	90%	90%
5.	Program should continue.	92%	97%

NOTE:

Ninety-two percent (92%) of clients surveyed in 1992 believe that the

"farm crisis" is not over.

ECONOMIC IMPACT

According to the farmers surveyed, the KLS Farm Advocacy Program assisted approximately 606 Kansas farm families to remain in farming from July 1985 through December 1992. A large majority of those farmers have indicated that they will remain in farming for more than three years.

When legal assistance helps farmers retain their farms, the economies of local communities and the state benefit in a number of ways. According to the Kansas State Farm Management Association, farms the size that KLS typically serves spend an average of \$120,000 per year in operating expenses. The 606 farmers known to have been assisted in retaining their farms by the KLS Farm Advocacy Program will spend about \$72.7 million on operating expenses during 1993.

Research at Kansas State University has shown that retention of medium sized farms, like those most often served by the KLS Farm Advocacy Program, enhances the viability of rural communities. Growth of large farms, often created by consolidation of failed medium sized farms is associated with declines in local population and retail trade (Flora and Flora, 1988).

REFERENCE

Flora, Cornelia Butler and Jan Flora. "Public Policy, Farm Size, and the Community Well-Being in Farming-Dependent Counties of the Plains" in Louis E. Swanson (ed.) <u>Agriculture and Community Change in the U.S.</u>, Boulder, Colorado: Westview Press, 1988, pp. 76-129.

7-2

KANSAS AGRICULTURAL ECONOMY FACT SHEET

Kansas Legal Services, Inc. Wayne A. White, Ph.D, Research Specialist

A number of commercial farms in Kansas remain in severe financial difficulty and in need of assistance.

Kansas net farm income is declining and increasingly concentrated among the few while a majority face continuing economic stress. The 1991 <u>average net farm income</u> of \$22,887 among Kansas Farm Management Association members is down <u>37% percent</u> from the average of \$36,337 during 1990. The 1991 average net farm income of \$22,887, when examined further, includes an average net income of \$78,655 for the 25 percent of farms with highest incomes and an average of - \$23,204 for the 25 percent of farms with the lowest income. (K.S.U. Cooperative Extension Services, Kansas Farm Management Association Annual Report 1991:6)

According to the Kansas Farm Management Association, a net farm income of \$30,000 is needed to pay taxes and cover average family living costs. Over 65 percent (65%) of the farms examined by the Kansas Farm Management Association in 1991 "failed to generate sufficient net farming income to cover long term family living needs." (K.S.U. Cooperative Extension Services, Kansas Farm Management Association Annual Report, 1991:11)

Average <u>net farm income for all Kansas farms declined 35 percent</u> (35%) from \$20,406 in 1990 to \$13,293 in 1991. (Kansas Agricultural Statistics, <u>Crops</u>, November 10, 1992)

Government payments to Kansas farmers <u>declined</u> 13.4 percent from 1990 to 1991. Total government payments to Kansas farmers were \$697.9 million in 1991 and \$834.7 million in 1990. (Kansas Agricultural Statistics, <u>Crops</u>, November 10, 1992)

The most profound consequence of continued weakness in farm incomes is the **loss of farms**. The number of farms in Kansas declined by 2,000 during 1992. (Kansas Agricultural Statistics, <u>Crops</u>, August 12, 1992)



Who are we?

Kansas Legal Services is dedicated to provide quality legal services to economically disadvantaged Kansans.



What do we stand for?

Kansas Legal Services believes that every Kansan regardless of sex, age, race, color or disability deserves equal access to our system of justice.



What is our goal?

Kansas Legal Services seeks at all times to provide first class legal advice and representation to our clientele. We prioritize our services to provide the greatest good to our client community

Kansas Legal Services Eligibility.

Kansas Legal Services generally serves individuals and families at or below 125% of the federally established poverty level. Specialized services are provided to elderly persons, economically disadvantaged family farms, and other special need groups.







Kansas Legal Services Offers Statewide Accessibility.

ur twelve field offices. staffed by over 50 attorneys. provide legal advice and representation to nearly 20,000 Kansans annually. Services are provided in each of the state's 105 counties.

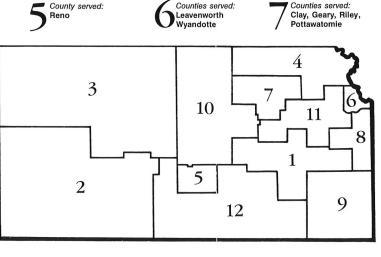
Advice and Representation for Low Income and Disadvantaged Kansans.

- Agriculture Law
- Consumer Law
- Disability Law
- Education Law
- Elderly Law
- Family Law Health Law
- Housing Law
- Public Benefits Law
- Rural Community Development

Kansas Legal Services Community Education.

- Substantive Legal Education
- Program priorities and procedures.
- Other training services

Counties served: County served: Anderson, Chase, Coffey, Reno Greenwood, Lyon, Marion Counties served: Clark, Comanche, Edwards, Finney, Ford, Grant, Gray, Greeley, Hamilton, Haskell, 3 Hodgeman, Kearny, Kiowa, Lane, Meade, Morton, Pawnee, Scott, Seward, Stanton, Stevens, Wichita Counties served: Barton, Cheyenne, Decatur, Ellis, Gove, Graham, Logan, Ness, Norton, Osborne, Phillips, Rawlins, Rooks, Rush, Russell, Sheridan, Sherman, Smith, Thomas, Trego, Wallace



Counties served; Franklin, Johnson, Linn,

Counties served; Allen, Bourbon, Cherokee, Crawford, Labette, Montgomery, Neosho, Wilson, Woodson

Counties served: Cloud, Dickinson, McPherson, Mitchell, Ottawa, Republic, Rice, Saline, Ellsworth, Jewell, Lincoln

> Counties served. Douglas, Jefferson Morris, Osage, Shawnee. Wabaunsee

Counties served: Barber, Butler, Chautauqua, Cowley, Elk, Harper, Harvey, Kingman, Pratt, Sedgwick, Stafford, Sumner

Kansas Legal Services Field Offices

Kansas Legal Services of Emporia 417 Commercial P.O. Box 1316 Emporia, Kansas 66801 (316) 343-7520

Counties served:

Atchison, Brown, Doniphan, Jackson,

Marshall, Nemaha, Washington

Kansas Rural Legal Services 120 Grant Garden City, Kansas 67846 (316) 275-0238 1-800-362-9009

Hays Legal Services 1401-B Main Hays, Kansas 67601 (913) 625-4514

Legal Services of Northeast Kansas 1500 Community Dr. Seneca, Kansas 66538 (913) 336-6016

Hutchinson/Reno County Legal Aid 206 West First Hutchinson, Kansas 67501 (316) 663-8311

Wyandotte/Leavenworth Legal Services 825 North Seventh Kansas City, Kansas 66101 (913) 621-0200

Flint Hills Legal Services 102-B South 4th Street Manhattan, Kansas 66502 (913) 537-2943

Kansas Legal Services of Olathe 465 South Parker Olathe, Kansas 66061 (913) 764-8585

Legal Services of Southeast Kansas National Bank Building, Suite 204 P.O. Box 1509 Pittsburg, Kansas 66762 (316) 232-1330

Legal Services of North Central Kansas 227 North Santa Fe, Suite 201 Salina, Kansas 67401 (913) 825-8147

Kansas Legal Aid Society of Topeka 712 South Kansas Ave. Topeka, Kansas 66603 (913) 354-8531

Legal Services of Wichita 154 North Emporia Wichita. Kansas 67202 (316) 265-9681

Kansas Legal Services, Inc. **Administrative Office**

712 S. Kansas Ave., Suite 200 Topeka, Kansas 66603 Tel: (913) 233-2068 Roger L. McCollister, Executive Director