



CENTER *for* RURAL AFFAIRS

YOUR RURAL NEWS FOR OVER 40 YEARS | LYONS, NEBRASKA | POPULATION 851 | SEPTEMBER & OCTOBER 2017

SMART POLICY CREATES SUNNY OUTLOOK

BY JOHNATHAN HLADIK, JOHNATHANH@CFRA.ORG

The Iowa legislature created the Iowa Solar Energy System Tax Credit in 2012. Designed to encourage local investment, the credit offsets up to 15 percent of the cost of a new installation. Legislators included limits of \$5,000 per home or \$20,000 per business to ensure accessibility.

This incentive led to 2,524 new solar projects between 2012 and 2016. The new installments are spread across the state, with at least one in 97 of Iowa's 99 counties. In total, the \$16.4 million provided by the solar tax incentive has generated \$123,248,595 of private investment.

One project is located on the Joe and Dianne Rotta farm near Merrill, Iowa. The Rottas farm 1,000 acres of corn and soybeans

—SEE [SOLAR POLICY](#) ON PAGE 2



Lawmakers, solar installers, project developers, and electric cooperative members recently took a tour of solar installments in northwest Iowa – a tour co-organized by the Center for Rural Affairs. | Photo by Patrick Snell of the Nature Conservancy

THERE'S A BUZZ ABOUT outhouse HONEY FARM

BY RHEA LANDHOLM, RHEAL@CFRA.ORG

Along a gravel road on the Omaha Reservation is a white house surrounded by gardens and fruit trees. On one side of the property is an aging outhouse – the namesake of the small operation, Outhouse Honey Farm.

BEES IN THE outhouse

Four years ago, owner Lowell Osborne noted something peculiar.

"On the side of the outhouse, there were a whole lot of bees going in and out of that big hole," he said. "I looked, and it was just full of bees in there."

Lowell decided to make something of the find, and contacted a retired beekeeper. He bought a bee box and supplies at an affordable price.

This year, the hive was divided into three – one swarm of bees

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NOTE FROM THE EDITOR

BY RHEA LANDHOLM, RHEAL@CFRA.ORG

This edition of our newsletter focuses on STEWARDSHIP of the natural environment upon which all of us – current and future generations – rely.

Lowell and Milissa Osborne, who live on the Omaha Indian Reservation, know what it's like to be stewards of the land. Bees moved onto their land, so they gave the bees a home and a chance to be productive. They study companion planting and treat the land with care, so the land will take care of them.

The next farm bill is featured in our executive director's essay and in a fact sheet. We outline our priorities which protect the land,

encourage diversified farming, and drive change in rural, small towns. As Brian says, "Stewardship of our land and water for future generations is a core tenet of our work at the Center."

We hear from Dianne and Joe Rotta in Iowa whose family has farmed the same land for 132 years. They recently installed a clean energy system and now act as their own energy provider. The couple even banks energy to use during the harvest season, when their electricity is in higher demand.

Lastly, we learn that the number of older Americans is expected to double by 2050. The Center for



Rural Affairs is forming a task force on aging in rural areas to explore the opportunities, challenges, and needs that are unique to rural elderly residents and the communities they call home. This will provide for future generations.

Stewardship is just one of the values showcased across our work. We believe these values reflect the best of rural America.

SOLAR POLICY, CONTINUED FROM PAGE 1

and have a 24,000 hog operation. In cooperation with a local solar developer, they recently built a combined 121 kilowatt (kW) installment to meet their energy needs. They used net metering, and any excess is banked for use during the harvest season, when grain drying and augering systems increase energy demand.

The farm has been in Dianne's family since 1884. During that time, it has seen a lot of changes. At the end of July, I had an opportunity to visit. I was joined by several members of the Iowa legislature, along with a representative for Sen. Grassley. Solar installers, project developers, and members of the local electric cooperative were on hand to provide perspective.

During the tour, Joe and Di-

anne listed the reasons why solar worked for them. They first pointed to independence and the ability to act as their own electric provider. They acknowledged the flexibility and autonomy. But in the end, it came down to cost.

"Once it's paid off, it's yours," Dianne explained. "We would not have went forward unless it made sense financially. We see this primarily as a way to control inputs and lower costs."

Because of the Iowa Solar Energy System Tax Credit, the pay-off period is shorter than ever. Combining a state or local incentive with the federal investment tax credit can offset costs by up to 45 percent. This reduces the payback period by two years.

The price of installed solar has fallen by more than 200 per-

cent since 2009. Farm, home, and business owners have taken notice. Due to growing demand, the industry now employs almost 375,000 individuals across the country. Nearly 1,000 of those live in Iowa, many of them rural.

This is what opportunity looks like in rural communities across the Midwest and Great Plains. Joe and Dianne found a way to lower costs and improve their bottom line. They identified a local business that could help them do it. It's a win-win for Merrill and northwest Iowa.

The Iowa Solar Energy System Tax Credit is a small investment that creates a big return. The result is a new industry in the state's rural towns. Smart policy like this is what helps keep our communities strong.

PAPER & E-NEWS

This newsletter is available both electronically and in print. To receive it online, sign up at the Center's website, cfra.org, or email us at info@cfra.org.

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FARM BILL PRIORITIES

Agriculture remains an important source of economic opportunity for people in rural areas. The farm bill can support small towns by:



CROP INSURANCE REFORM:

Currently, taxpayer dollars can be paid without limit to the largest farmers. **We need to cap crop insurance premium subsidies.** A limit of \$50,000 per farm in premium subsidy would only impact the largest farmers and would help level the playing field. Who does this impact? Only 0.9 percent of farmers in 2010 and 2.5 percent of farmers in 2011 received premium subsidies greater than \$50,000 and would have been impacted by a cap.¹



CONSERVATION:

Many farmers value good stewardship on their land but struggle to find the funds to integrate conservation practices into their operations. **We need to protect funding for and strengthen working lands conservation programs, such as EQIP and CSP.** Farmers deserve conservation programs that are practical and effective.



BEGINNING FARMERS:

Our beginning farmers are innovative rural entrepreneurs. **We need to protect valued programs that help beginning farmers** such as targeted funding in loan and conservation programs and education programs. In this competitive agricultural economy, getting an operation started is met with growing financial barriers, and these programs can play a key role in beginning farmers' success.



RURAL DEVELOPMENT:

Rural communities often struggle with access to capital, from rural entrepreneurs starting a local business to communities updating infrastructure. USDA's Rural Development programs provide essential support in the form of grants and low-interest loans to rural communities. Protecting these programs is standing up for rural communities.

WHAT'S A CROP INSURANCE PREMIUM SUBSIDY?

- **Crop** — Plant or livestock grown or raised for sale.
- **Crop insurance** — Insurance that farmers can purchase to cover losses on their farms due to weather and other adverse impacts.
- **Crop insurance premium** — the cost to the farmer for purchasing crop insurance.
- **Crop insurance premium subsidy** — the amount of the premium that the government pays for.

¹ Study: GAO-12-256, CROP INSURANCE: Savings Would Result from Program Changes and Greater Use of Data Mining. March 2012.

PASS A NEW FARM BILL BEFORE IT EXPIRES ON SEPT. 30, 2018



OUTHOUSE HONEY FARM, CONTINUED FROM PAGE 1

took to a second box and the third decided to choose their home – the side of the house.

HEAD GARDENER DUTIES

Honey production is just one part of the Outhouse Honey Farm. Vegetables, herbs, and fruit grow almost everywhere you look. Lowell, his wife, Milissa, and their five daughters, Zena, Anabel, Zora, Olivia, and Alannah, all pitch in.

Lowell took over as head gardener three years ago.

“Originally, Lowell gardened because this was a way for him to make a little extra money,” Milissa said. “That’s why we expanded like we did.”

“I have a lot of kids to feed,” Lowell said.

The Osbornes are faithful vendors at the Omaha Reservation farmers market and the Christmas Bazaar, both run by the Center for Rural Affairs.

EXPANDING THE GARDEN

Suzi French, Center for Rural Affairs community foods specialist, said the Osbornes have nearly quadrupled the size of their garden from 2016 to 2017.

Among the new items are watermelon, sunflowers, lettuce, kohlrabi, turnips, green beans, spinach, eggplant, celery, Brussels sprouts, and additional pepper and cabbage plants.

Their one and only cabbage last year – Cabbage Carl – won a purple ribbon in open class competition at the county fair. Zena received the plant as part of a school project.

Most of the produce is taken to the kitchen for canning, making jellies, pickling, and to put into pies. The Osbornes are known for their cinnamon pickles which uses an “old family recipe.”

Planting a garden this size takes some planning. Milissa explained



Four years ago, Lowell Osborne found bees in an old outhouse on his property. He successfully moved the bees into a bee box to produce honey. For the last three years, Lowell and his family have sold their honey, produce, and baked goods at a farmers market run by the Center for Rural Affairs. | Photo by Rhea Landholm

there are hot peppers and sweet peppers on either side, with tomatoes in between, preventing the sweet plants from turning hot.

She has also studied companion planting, so in the front flowerbed, garlic is planted among the rose bushes and walking onions are growing next to morning glories.

Other produce found throughout the garden includes potatoes, onions, tomatoes, broccoli, cauliflower, Swiss chard, collard greens, squash, eggplant, celery, and more.

EVERYONE PITCHES IN

Just beyond the garden, one can find the source of the Outhouse Honey Farm soundtrack – a rooster, a goose (named Nancy), and chickens. (They use the eggs for baked goods to sell.) A pig chimes in once in awhile, when

he’s not playing with his basketball or eating bread, his favorite food.

On the day I visited, the Osbornes cut butter crunch lettuce and pulled radishes for the afternoon farmers market. While talking to me, each one started automatically tending to the garden.

“We can’t walk through the garden without pulling weeds,” Milissa said.

Before I could drive away, they piled into the family SUV with buckets to go raspberry hunting, and told me about chokecherries and grapes they had found on a previous foraging excursion.

They have plans to expand their operation even more. Milissa said fruit trees need to be replaced, and Lowell said they will get meat goats, “hopefully soon.”



The Osborne family – Zena, Anabel, Zora, Olivia, Milissa, Alannah, Lowell, and dog, Ollie – work hard growing and preserving produce to sell at farmers markets on the Omaha Reservation. They run the Outhouse Honey Farm. | Photo by Rhea Landholm

OUTHOUSE HONEY FARM IS ONE OF 220+ GARDENS ON THE OMAHA RESERVATION

BY RHEA LANDHOLM, RHEAL@CFRA.ORG

Members of the Omaha Tribe are working to improve access to fresh food, starting with growing produce in their own communities. The Center for Rural Affairs has worked alongside them during the last four years.

In 2016, gardeners had a record year with high levels of garden participation – Center staff demonstrated garden soil preparation at more than 100 family garden plots. This year, staff demonstrated in at least 220 family gardens, and at a demonstration plot at Nebraska Indian Community College.

During the growing season, Suzi French, community food specialist, makes regular visits to encourage and support the gardeners. She also helps them learn how to combat pests and weeds and how to tell when produce is ripe.

“This work meets the needs of

‘There is nothing like watching someone eat their first ever homegrown tomato.’

–Suzi French, community foods specialist

the individual participants and their families in their own backyards, where they feel comfortable and can work at their own pace,” she said. “We support the individuals by getting down in the dirt with them, helping them plant seeds, and offering positive advice and techniques.”

In addition, French provides training on food preparation and preservation techniques.

The Center runs farmers markets in Macy and Walthill, where the gardeners can sell surplus produce. These market stalls increase fresh food access on the Omaha reservation and provide gardeners with supplemental income.

“Offering a place to sell fresh produce gives participants an

opportunity to earn income for the work they put into the garden,” French said. “People are realizing they can grow, eat, and sell the produce. Plus, farmers markets are one of the only places in our community where fresh produce is available and affordable.”

She said the best part is: the food is grown locally on the Omaha Reservation.

“Community members are excited about gardening and growing their own food. I get to be involved and see it first hand,” French said. “I watched a lot of people realize that they could grow their own tomatoes or radishes last year. There is nothing like watching someone eat their first ever homegrown tomato.”



As of the last decennial census, there were more than 40.4 million Americans older than 65. The number of older Americans is estimated to more than double by 2050. This demographic shift will affect civic, economic, and social structures of rural communities, such as Hastings, Nebraska (above), where residents enjoyed a concert this summer. | Photo by Rhea Landholm

NUMBER OF OLDER AMERICANS EXPECTED TO DOUBLE BY 2050

BY JORDAN RASMUSSEN, [JORDANR@CFRA.ORG](mailto:jordanr@cfra.org)

Rural America, and the nation as whole, has entered a phase of significant demographic change.

As of the last decennial census, there were more than 40.4 million Americans over the age of 65, composing 13.1 percent of the total population.

With the wave of the baby boom generation entering this demographic, the number of older Americans is estimated to more than double by 2050. This significant demographic transition is exacerbated in rural communities and locations, where the population is already older than the nation as a whole. Rural areas have a median age of 51, compared to the national median age of 37.

Nebraska counties and the state are also experiencing this shift in the age demographic. As presented in a report to the Legislative Planning Committee, the state's population of those age 65 years and older is expected to

reach nearly 419,000 by 2030. This estimate presents nearly 70 percent growth in this age demographic over two decades.

Even ahead of the full effects of this significant demographic shift, rural Nebraska counties have a higher percentage of residents over the age of 65. As of 2014, 18 percent of residents in rural counties were 65 years of age or older, compared to 11.5 percent in Nebraska's urban counties. A full 47 percent of Nebraskans of retirement age live in rural counties.

While the aging of rural communities is in part a result of an increased trend toward urbanization, rural citizens play a significant role in the fabric and future of the state and ultimately the nation. It is in these rural areas where much of the nation's food, fiber, and natural resources are brought from the earth to the market supplying the vast network of goods and services that fuel the country.

Allowing this significant population asset to age without consideration of the implications could be detrimental. The ramifications of this demographic shift upon the social, civic, and economic structures of rural communities and the need for policies which recognize and accommodate this growing population are worth examining.

Over the upcoming months, the Center for Rural Affairs will be formalizing a task force on aging in rural areas. The objective of the task force is to explore the opportunities, challenges, and needs that are unique to rural elderly residents and the communities they call home. Residents from any state are welcome to join in.

If you are interested in participating in the task force or have recommendations for areas of focus or policies to consider, please contact Jordan Rasmussen at 402.687.2100 x1032 or jordanr@cfra.org.

ENSURE YOUR LEGACY AND IMPACT BY CONTRIBUTING TO THE GRANARY FOUNDATION

BY TYLER VACHA, TYLERV@CFRA.ORG

Did you know the Center for Rural Affairs has an endowment? We do! It's called the Granary Foundation, and it exists to ensure the Center can continue doing our important work in rural America for generations to come.

Through the years, many of you have made investments in the Center, its work, and the future of rural America. Those investments have gone a long way toward establishing a brighter, stronger rural future. Making a contribution to the Granary Foundation is a great way to secure your legacy and impact.

There are many ways to contribute to the Granary Foundation.

1. A gift of cash, stock, or grain/livestock: these continue to be the easiest ways to give, and can result in significant tax savings.
2. Mandatory minimum Individual Retirement Account (IRA) distribution: If you are over 70½ years old and have an existing IRA, you can make gifts of up to \$100,000 directly from your IRA.
3. Hank Rohling Land Legacy gifts: Through a program named in honor of our friend and colleague, Hank Rohling, the Granary Foundation accepts gifts of land. Land received as a legacy gift



There are many ways you can contribute to the Granary Foundation, which is the Center for Rural Affairs' endowment fund. Contact Tyler for more information. | Photo by Kylie Kai

- will be used to help beginning farmers and ranchers get their starts.
4. Charitable gift annuities: You can establish a charitable gift annuity through the Center. In doing so, a contract is established between yourself and the Center. Annuities are a great way to make contributions to the Granary, achieve significant tax benefits, and establish a steady, regular income for yourself or designated beneficiary.
5. Bequests and charitable remainder trusts: Consider making the Granary Foundation a beneficiary of your estate or trust. You can

reference a dollar amount or percentage of assets, or percentage of remaining assets after everything else is settled.

6. Life insurance policy and retirement funds: Do you have established life insurance policy or retirement funds you no longer need? You can reassign the Center as a beneficiary.

On behalf of the Center and everyone who cares deeply about the rural parts of our nation, thank you for your support. Your dedication to ensuring a stronger and brighter future for rural America is inspirational. We are proud to be doing this important work with you.

FARM BILL RENEWAL, CONTINUED FROM PAGE 8

in rural America. A large set of programs that support entrepreneurial development, beginning farmers, local and regional market development, rural small businesses, and small towns are all set to expire at the end of the current

farm bill. Extending, improving, and building on these programs is a central pillar of our policy platform and a key strategy for driving change in small towns across the nation.

Over the course of the coming

months, we will call on you to reach out to members of Congress to support specific policy proposals that align with these three pillars. Your voice in prompting members of Congress to act will be critical.



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09/17



Significant demographic shift
Inside: aging in rural communities

FROM THE DESK OF THE EXECUTIVE DIRECTOR

FARM BILL RENEWAL IS IN SIGHT

BY BRIAN DEPEW, BRIAND@CFRA.ORG

Congress is in the process of writing another farm bill. Political distractions are running high in Washington. But distracted or not – the current farm bill expires in September 2018.

If Congress fails to act, key farm bill initiatives that support beginning farmers, local and regional market development, and rural small businesses will come to a screeching halt. An opportunity to reform federal crop insurance and improve conservation programs also hangs in the balance.

Our policy platform for the new farm bill stands around three pillars.

Protect and improve farm conservation programs – Stewardship of our land and water for

future generations is a core tenet of our work at the Center. Programs that support working lands conservation – soil, water, and habitat conservation on land that is also cultivated or grazed – help to steward our natural resources, while also keeping land in production to support local farms and local economies. We'll work to retain major gains made in conservation programs in the last two farm bills, while also streamlining programs so they work better together.

Reform commodity programs – Under current policy, the very largest farms can collect crop insurance subsidies without limit. If one operation farmed the entire state of Iowa, the federal government would subsidize their crop

insurance on every single acre. That blocks beginning farmers out of the system and ensures that as the largest farms grow, they collect even more subsidies. We support a \$50,000 cap on crop insurance premiums. One government report showed this cap would reduce subsidies to the largest 2.5 percent of farms, helping level the playing field for everyone else. Along with reforms to expand access and enhance conservation, we can make crop insurance work in alignment with our values and priorities.

Protect investment in beginning farmers and entrepreneurial development – Entrepreneurial development is a proven strategy to create opportunity

—SEE **FARM BILL RENEWAL** ON PAGE 7