

Wm. Donald Clifton II
Secretary of Agriculture

FY26 CAPITAL IMPROVEMENT BUDGET PRESENTATION



PROMOTING GROWTH, PROTECTING CONSUMERS



DELAWARE DEPARTMENT OF
AGRICULTURE

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AGRICULTURE DELAWARE'S #1 INDUSTRY

FAMILY FARMS

On 522,800 acres of farmland, Delaware's 2,158 family farms produce various agricultural products. These include corn, soybeans, wheat, poultry, fruits, and vegetables.

ECONOMIC IMPACT

Food and agriculture industries provide more than 76,000 jobs and \$13 billion in direct economic activity to the state, including \$2.1 billion in direct sales.



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**\$14.45
Million**
Recommended
Capital Budget



THE DELAWARE DEPARTMENT OF AGRICULTURE SUPPORTING DELAWARE'S #1 INDUSTRY

- Delaware Department of Agriculture supports farmers and consumers alike, working to sustain and grow our industry, promote fresh and seasonal products, and build consumer trust in Delaware.
- 188 dedicated staff in 13 sections strive to effectively and efficiently protect and enhance the environment, health, and welfare of the general public.

Delaware Department of Agriculture Sections		
Administration (Office of the Secretary, Communications & Marketing, Finance)	Standardbred Breeders' Fund	Plant Industries
Aglands Preservation & Planning	Food Products Inspection	Poultry & Animal Health
Agricultural Compliance	Nutrient Management	Thoroughbred Racing Commission
Delaware Forest Service	Pesticides	Weights & Measures
Harness Racing Commission		

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STATE CAPITAL FUNDS FY25 AND FUTURE YEAR REQUESTS

Project Item	FY 2025	FY 2026 Request	FY 2026 Recommended	FY 2027 Request	FY 2028 Request
1. Aglands Preservation Program*	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
2. Cover Crop Investment	\$ 5,190,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
3. Minor Capital Improvement and Equipment	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
4. Critical Equipment for Operations	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Total	\$15,390,000	\$14,450,000	\$14,450,000	\$14,450,000	\$14,450,000

* Alternative project funding is recommended from the Realty Transfer Tax.



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FARMLAND PRESERVATION

\$10,000.0 BOND BILL REQUEST

Round 29

- 287 farms undergoing appraisal
- 29,500 acres
- Anticipated bid submission May 2025
- Announcement Summer 2025

The rapid increase in total land values is creating challenges in purchasing easements.

Based on last year's average discounted rate (50%), of \$5,000/easement acre, it would cost \$150 M to purchase all 287 easements in Round 29.

Young Farmers Loan Program

40 young farmers have received \$9.78 M in loans, with 3,372 acres permanently preserved.

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COVER CROP INVESTMENT

\$4,000.0 BOND BILL REQUEST



BACKGROUND

Research shows that cover crops are the best tool in Delaware—environmentally and economically—to reduce agricultural nutrient runoff, improve water quality, and mitigate climate change. This management tool improves soil health, increases the resiliency of fields to pests, and reduces the use of fertilizers and pesticides.

THESE FUNDS WILL...

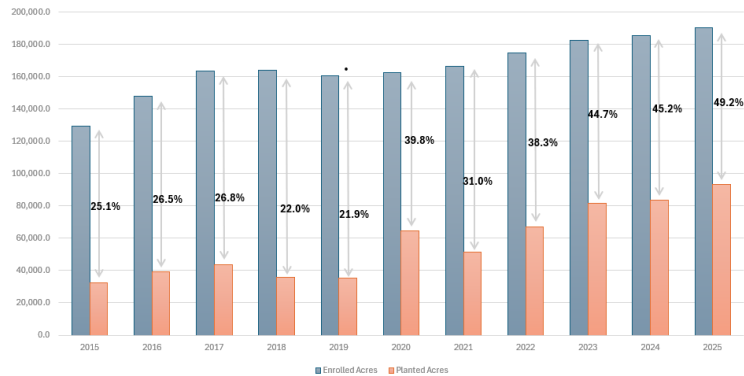
Offset the costs for farmers to plant cover crops. These crops are not harvested; therefore, they do not provide any income for the farmer, but they help Delaware reach its nutrient reduction goals for the Chesapeake Bay.



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COVER CROP INVESTMENT ENROLLED ACRES VS. PLANTED ACRES



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MINOR CAPITAL IMPROVEMENTS & CRITICAL EQUIPMENT FOR OPERATIONS REQUEST: \$200.0 AND \$250.0 RESPECTIVELY

BACKGROUND

Previously, the Department requested funding each year, outlining the projects that needed to be funded. Now the funds are requested in two lines: Minor Capital Improvement and Critical Equipment for Operations.

THESE FUNDS WILL...

Allow us to continue renovating our main building, laboratories, and state forests and replace equipment that is reaching the end of its useful life.



Upgrades at Blackbird Education Center included a ramp so all guests can participate in learning activities involving Delaware forestry.






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DELAWARE AGRICULTURE PRODUCTION INSURANCE ASSISTANCE PROGRAM

UPDATE: \$2,000.0

- HB 87 was signed into law in 2024 to assist producers with acquiring adequate coverage of crop insurance to ensure the viability of Delaware's agriculture production.
- Input costs remain high and commodity prices remain depressed, making crop insurance extremely important to all producers.
- Sales season for crop insurance ended March 15; so far, good feedback and producers are very appreciative.
- The subsidy has been paid directly by DDA to the Federal Crop Insurance Corporation on behalf of eligible Delaware producers.



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