

Testimony before the House Committee on Judiciary

March 11<sup>th</sup>, 2025

RE: H 5937 – An Act Relating to Property – Uniform Partition of Heirs Property Act

Dear Chair Representative Craven, Sr., First Vice Chair Representative McEntee, Second Vice Chair Knight and esteemed members of House the Judiciary Committee:

My name is Dr. Jim Habana Hafner, and I am American Farmland Trust's New England Regional Director. I appreciate this opportunity to testify on behalf of American Farmland Trust in support of H 5937 – An Act Relating to Property – Uniform Partition of Heirs Property Act.

American Farmland Trust (AFT) is the only national organization dedicated to protecting farmland, promoting sound farming practices, and keeping farmers on the land. AFT has been doing this work in the region since 1989. AFT is deeply committed to addressing land access and tenure issues that create impediments for historically underserved producers, which include Black, Indigenous, and People of Color (BIPOC), young, and beginning farmers, in achieving secure land ownership. The Uniform Partition of Heirs Property Act, or UPHPA is an important piece of legislation that helps address the risk of loss of properties held by tenants in common that is a threat to the accumulation of intergenerational wealth, especially among economically and historically marginalized groups. In Rhode Island, which has some of the highest farmland real estate prices in the country, farmland is difficult to access for historically underserved producers.

Land ownership has historically been a means to income and growth opportunities, sales and market expansion, and generational wealth for landowners. And the opportunity to own the land that farmers steward should be afforded not only to those with significant financial means but also to those from Rhode Island's historically marginalized communities.

The Uniform Partition of Heirs Property Act, or UPHPA, serves to facilitate the preservation of generational family wealth held in the form of real property by reforming partition law as it applies to properties owned by tenants-in-common. I would like to highlight three core provisions related to this legislation:

First, this bill will add Rhode Island to a growing list of states that recognize the need to
create pathways for tenants-in-common to address home and farmland ownership in an
orderly and equitable way, without prompting public auction sales as a first remedy to
partition claims. Public auction sales often lead to sale prices that are far below fair
market value, harming family landowners, particularly economically and socially
marginalized families.



- Second, if passed, this law will create more options for heirs' property owners to obtain a United States Department of Agriculture (USDA) farm number and access federal USDA programs and payments, including Farm Service Agency loans.
- Third, by passing UPHPA, Rhode Island will be given preference over states that have not passed this provision to receive USDA Heirs' Property Relending Program loans. This program was passed as part of the 2018 Farm Bill and was not implemented until Summer 2021. The opportunity to take advantage of the USDA-HPRP lending program is timely.

By enacting H 5937, Rhode Island will protect farmers from predatory practices that allow real estate investors to acquire land well below its fair market value and deplete a family's inheritance and prevent the intergenerational transfer of wealth in the process. As noted above, this law will also aid farm families in accessing more federal support programs to build economically viable operations that support Rhode Island and our region's food system.

In Rhode Island, real estate continues to be extraordinarily expensive and difficult to access for all producers, and especially for new, beginning and historically underserved producers. According to the latest 2024 National Agricultural Statistic Service (NASS) Land Value Survey, Rhode Island has the *most expensive farmland in the country* with an average price of \$22,000 per acre. Because agricultural land is so challenging to purchase, Rhode Island must ensure that farm families are able to retain ownership of their land and continue production.

Rhode Island currently has a limited number of BIPOC farmers. According to the 2022 NASS Census of Agriculture, there are 72 BIPOC producers in Rhode Island. This is in comparison to the 1,030 farmers who identify as white. Of the 72 BIPOC farmers in the state, 44 of these producers own farms. AFT recognizes that the 2022 NASS Census data is limited in accurately capturing the number of BIPOC producers in the state due to numerous factors including the history of discrimination and distrust of USDA and NASS by many BIPOC producers. The stark disparity in farmer demographics is a result of centuries of land and agricultural policies (including partition and tenancy in common law), planning practices, and other forms of systemic racism that have prioritized white producers.

As a result of historical inequities and distrust of the legal system, BIPOC producers may lack the motivation and resources necessary to do proper estate planning, and thereby better retain possession of property. The negative impacts of heirs' property exploitation have especially affected Black farmers and landowners. USDA recognizes heirs' property as "the leading cause of Black involuntary land loss." Without systems in place to ensure that BIPOC landowners are not subject to unjust processes, additional farmland will be lost and thus create a deeper divide in who owns and does not own land in Rhode Island.

<sup>&</sup>lt;sup>1</sup> <u>Land Values 2024 Summary 08/02/2024</u>

<sup>&</sup>lt;sup>2</sup> Understanding heirs' property and its impact on farmers | AGDAILY



As noted above, the negative impacts of heirs' property exploitation have especially affected BIPOC farmers and landowners. Yet people of all racial backgrounds have struggled with secure land tenure because of inadequacies in partition law. Working-class and low-income families without the financial capacity to create legally valid wills and estate plans have been subject to dispossession through partition, leading to economic, agricultural, and social harms—not to mention the emotional trauma of losing family land.

According to AFT's 2020 Farms Under Threat report, 3,600 acres of agricultural land in Rhode Island were developed or compromised between 2001-2016. This is *excluding* the amount of farmland that has been converted since 2016. Given the high demand for housing and the push to expedite development, this pressure also puts lands that are held as heirs' property in both urban and rural settings at high risk of being converted for haphazard development and pushing land access further out of reach for non-wealthy land operators.

By enacting H 5937, Rhode Island will protect farmers from predatory practices that allow real estate investors to acquire land well below its fair market value and deplete a family's inheritance in the process. This law will also aid farm families in accessing more federal support programs to build economically viable operations that support Rhode Island and our region's food system.

Finally, keeping land in agricultural use provides a host of ecological and environmental benefits for local communities. If we care about fairness, vibrant food systems, rural economies, land preservation, and more, then Rhode Island should join the growing number of states who have already passed the UPHPA.

Thank you for the opportunity to submit testimony in support of this important provision. On behalf of AFT, I urge you to pass H 5937 this legislative session. If you have any questions, please reach out to me at jhafner@farmland.org.

Sincerely,

Dr. James Habana Hafner

New England Director American Farmland Trust

American Farmland Trust

American Farmland Trust is an agricultural non-profit organization with a mission to save the land that sustains us by protecting farmland, promoting sound farming practices, and keeping farmers on the land. AFT is the only national agricultural organization that approaches its work



American Farmland Trust in this comprehensive, holistic manner. We recognize the connection between the land, forward looking farming practices, and the farmers who do the work.