

Traditionally Underserved Groups

Definitions of these three groups vary by title:

- **Socially Disadvantaged Farmer or Rancher:** This term means a farmer or rancher who is a member of a socially disadvantaged group. "Socially disadvantaged group" means a group whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. The definition that applies to Titles I, V, and VI includes members of a group subject to gender prejudice, while the definition that applies to Titles II, IX, XII, and XV does not. Title XIV and the Education and Risk Management Assistance provision in Title XII do not make specific reference to the statutory definition of socially disadvantaged farmer or rancher.
- **Limited-Resource Farmer or Rancher:** Titles I, II, and XII are the only titles that refer to limited-resource farmers or ranchers. The term "limited-resource farmer or rancher" means such term as defined by the Secretary. As [currently defined by USDA](#), a limited-resource farmer or rancher is one who has: 1) direct or indirect gross farm sales not more than \$116,800 in each of the previous 2 years (in 2005 dollars, adjusted for inflation each year), and 2) a total household income at or below the national poverty level for a family of four or less than 50 percent of county median household income in each of the previous 2 years.
- **Beginning Farmer or Rancher:** In Titles II, VI, IX, and XIV, this term is left to be defined by Secretary of Agriculture. Title VII further specifies the definition to include an individual or an entity who has not operated a farm or ranch or has operated a farm or ranch for not more than 10 years, as well as "such other criteria as the Secretary may establish." Title V uses a similar definition for "qualified beginning farmer or rancher" for the purposes of credit programs, which also spells out requirements for operations that are organized as cooperatives, corporations, or other entities. To qualify, all members of the entity must be related by blood or marriage and all must be beginning farmers or ranchers. Definitions currently used by USDA's Natural Resources Conservation Service and Farm Services Agency add the requirement that the individual or entity must substantially participate in day-to-day operations of the farm or ranch (definition applies to all members of the entity). In Title XII, no specific reference is made to a definition for beginning farmers and ranchers