

CRS Report for Congress

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Average Farm Subsidy Payments, by State, 2002

September 16, 2004

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Summary

The U.S. Department of Agriculture makes direct subsidy payments through the Commodity Credit Corporation to farmers for commodity price and income support, certain conservation and environmental activities, and some disaster losses. In 2002, these direct farm subsidy payments amounted to \$12.151 billion.

This report examines the distribution of these payments among states, calculates the average size of payments going to recipient farms in each state, and distinguishes between payments received by farm operators and landlords. This information is intended to aid in policy debates about subsidizing some farms but not others, changing per-person payment limits, and the altering eligibility rules for landlords to receive payments.

More money went to Texas (\$1.2 billion) than any other state. Texas along with the next 10 leading states received 56% of total farm subsidy payments. These states were largely concentrated in the nation's central farm belt, where much of the subsidized corn, soybeans, wheat, cotton, and rice are produced. Also ranking high were California (due to cotton and rice) and Georgia (due to peanuts).

The subsidy payments were made to the operators and landlords of 707,596 farms (one-third of all farms in the nation). However, in some states a much higher proportion of the farms were subsidized (e.g., North Dakota, 78%, and Iowa, 70%).

On average, the payments amounted to \$17,172 per subsidized farm. The range was from a low of \$3,401 per subsidized farm in West Virginia to a high of \$90,214 per subsidized farm in California. Farm operators received an average of \$9,251 each and landlords received an average of \$5,617 each.

Data on state averages obscure the high concentrations of payments to a relatively small proportion of the farms receiving subsidies. While there were a total of 1,705,514 separate "persons" that received payments in 2002, 50% of the subsidy payments went to 85,358 persons (or just 5% of the recipients).

This report is intended as a reference and informational resource and is not expected to be regularly updated.

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Average Farm Subsidy Payments, by State, 2002

Most federal farm subsidies are made as mandatory direct payments to producers from the U.S. Department of Agriculture's (USDA's) Commodity Credit Corporation (CCC).¹ These include commodity price and income support programs, certain conservation programs, and select disaster assistance programs. CCC direct payments to farmers in 2002 are examined in this report.²

The primary data sources are the *2002 Census of Agriculture* (available at [<http://www.nass.usda.gov/census/>]) and the Environmental Working Group's (EWG's) *Farm Subsidy Database* (available at [<http://ewg.org/farm/home.php>]). The EWG database is a compilation from CCC payment information supplied by USDA's Farm Service Agency (FSA). FSA's national network of county offices administers the subsidy programs and writes the CCC checks to the subsidy recipients.³ These two data sets facilitate a state-by-state examination of payments and the division of payments between farm operators and landlords.

There is unpredictability about the timing and size of market price movements as well as natural disasters. Consequently, the size of farm subsidies varies from year to year. **Figure 1** shows that from 1995 through 2002 annual farm subsidy payments ranged from a low of \$7.2 billion to a high of \$23.5 billion, averaging \$14.5 billion annually over the eight-year period.⁴ Commodity price and income support accounts

¹ The term *mandatory* means that the payments are not dependent on annual congressional appropriations. Payment obligations to farmers meeting the rules of the various subsidy programs are covered by the CCC. The CCC uses its borrowing authority to obtain needed funds from the U.S. Treasury. Later, Congress appropriates monies to reimburse the CCC, so it can repay the Treasury.

² The USDA does administer other farm subsidy programs that are not financed through the CCC and are not examined in this report. Among these are crop insurance (costing about \$2 billion annually in premium subsidies), and farm ownership and operating loans for limited resource farmers (costing nearly \$200 million annually in loan subsidies).

³ The data obtained by EWG are developed in FSA county offices and pertain to the farm in the county and not the address of the recipient. Recipients are unduplicated but may receive multiple payments from multiple programs throughout the year. Generally, data pertain to the calendar year of payment, but there may be exceptions.

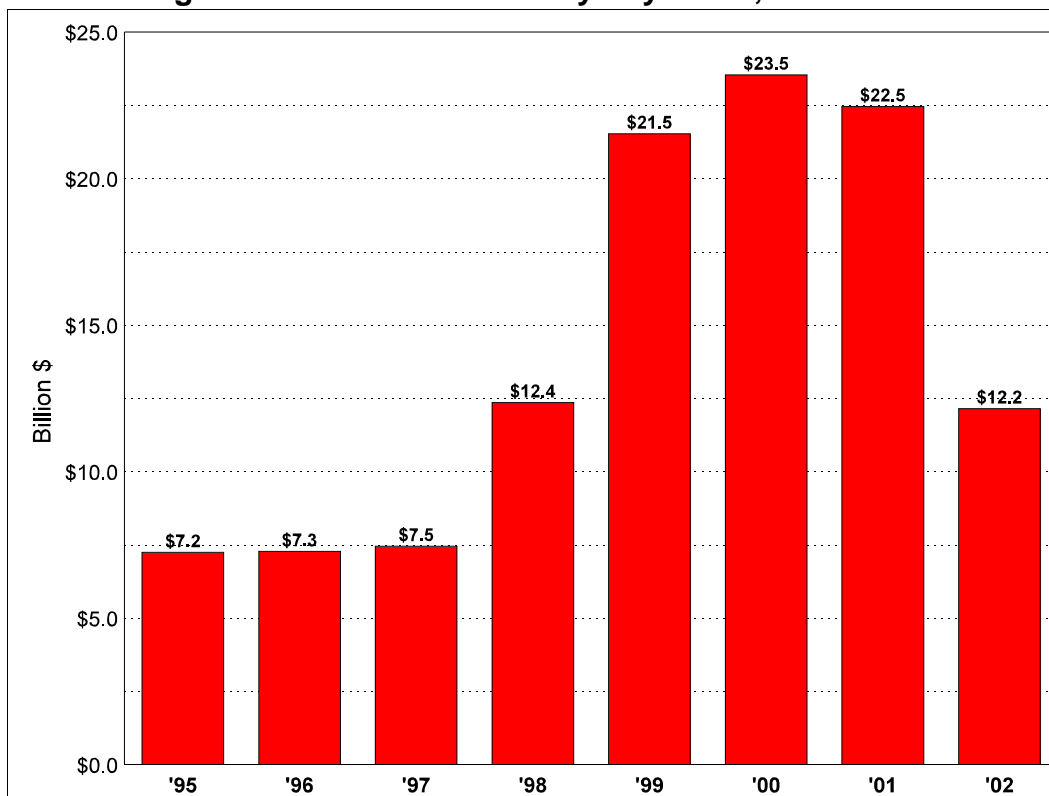
⁴ The data reported by EWG for 2002 may include a combination of calendar year and crop year data, but are characterized by EWG as calendar year payments. The EWG data shown in Figure 1 differ only slightly from calendar year direct payment data published by USDA's Economic Research Service. The ERS payment numbers for 1995 through 2002 are \$7.3 billion, \$7.3 billion, \$7.5 billion, \$12.4 billion, \$21.5 billion, \$22.9 billion, \$20.7 billion, \$11.0 billion. The CCC maintains its most detailed accounts by fiscal year, but these

(continued...)

for most farm subsidy payments. As shown in **Figure 2**, commodity payments amounted to 73% of CCC's total farm subsidy payments in 2002.

The year 2002, with total farm subsidy payments of \$12.151 billion, was selected for examination in this report because of data availability. At the same time, it is fairly close to annual average total payments from 1995 through 2002. However, 2002 is unique in that peanut producers received one-time quota buyout payments of about \$1 billion. Nearly half the peanut quota buyout payments were concentrated in Georgia (\$483 million), with the remainder divided largely among Texas (\$153 million), Alabama (\$150 million), North Carolina (\$107 million), Virginia (\$67 million), Oklahoma (\$62 million), and Florida (\$48 million).⁵

Figure 1. Total Farm Subsidy Payments, 1996-2002

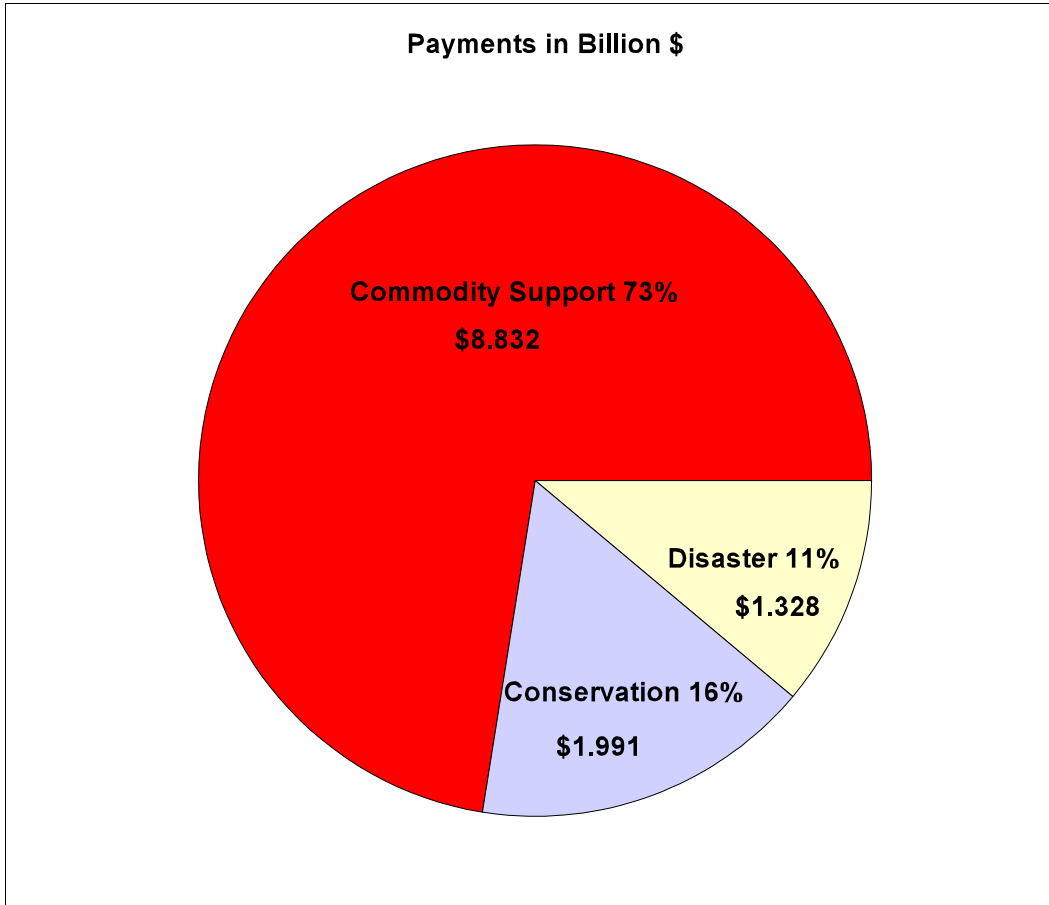


⁴ (...continued)

records do report payments at the state or recipient level. Data from the *2002 Census of Agriculture* are for calendar year 2002.

⁵ A full description of the peanut marketing quota buyout program is available in CRS Report RL30924, *Peanut Program Policy Issues*.

Figure 2. Farm Subsidy Payments by Major Category, 2002



Farm Subsidy Programs

Most commodity support program payments are linked to market prices.⁶ When market prices decline, commodity support payments increase in order to support the income of producers whose revenue otherwise would decline. Conservation payments are made to encourage farmers to remedy environmental problems. Disaster assistance is provided when crop and livestock production is substantially damaged or destroyed by natural disasters such as drought, flood, and disease, thereby reducing revenue and/or increasing the expenses of producers.⁷

Table 1 presents a program-by-program list of payments in 2002. Some of the payments (and refunds) shown in Table 1 were authorized by the 1996 farm bill, which originally covered the 1996 through 2002 crops. The 2002 farm bill (P.L. 107-171, the Farm Security and Rural Investment Act of 2002) was enacted on May 13, 2002, and was made immediately applicable to 2002 crops. So, 2002 was a year of transition from the previous Production Flexibility Contract Payments to the new Direct and Counter-Cyclical Payments. Also, Counter-Cyclical Payments became the permanent replacement for *ad hoc* Market Loss Payments.

⁶ Production Flexibility Contract Payments and decoupled Direct Payments for grain and cotton producers are exceptions. These payments were based on historical production of each of the grain and cotton crops only. Recipients of these payments were able to change their mix of crops or even produce nothing.

⁷ Eligibility requirements for payments are specified in the law for each program. The payment triggers and size of commodity support payments are based upon specified price levels (an indirect income test) or physical damage levels for disaster assistance (a loss test).

Table 1. Farm Subsidy Payments, by Program, 2002

| Program / Category | Subsidy Payments | Number of Recipients | Payment Per Recipient |
|---|-------------------------|----------------------|-----------------------|
| Total Farm Subsidies | \$12,150,563,185 | 1,705,514 | \$7,124 |
| Commodity Subsidies | \$8,831,971,671 | 1,319,110 | \$6,695 |
| Production Flexibility Contract Payments | \$3,499,997,512 | 1,145,725 | \$3,055 |
| Loan Deficiency Payments (LDPs) | \$1,296,591,777 | 334,659 | \$3,874 |
| Peanut Quota Buyout and Miscellaneous Payments | \$1,174,674,015 | 130,516 | \$9,000 |
| Commodity Certificates | \$940,785,178 | 17,972 | \$52,347 |
| Dairy Payments | \$848,186,106 | 71,968 | \$11,786 |
| Direct and Counter-Cyclical Payments | \$570,589,219 | 210,540 | \$2,710 |
| Marketing Loan Gains | \$458,385,698 | 55,588 | \$8,246 |
| Lamb Payments | \$32,401,797 | 17,210 | \$1,883 |
| Market Loss Assistance, Non-Supported Commodities | \$5,509,671 | 18,051 | \$305 |
| Livestock Indemnity Program | \$3,173,145 | 2,099 | \$1,512 |
| Market Loss Assistance, Supported Commodities | \$1,417,765 | 1,287 | \$1,102 |
| Total LDP-like Grazing Payments | \$480,947 | 442 | \$1,088 |
| Oilseed Program | \$234,989 | 360 | \$653 |
| Wool and Mohair Payments | -\$16,025 | 1 | -\$16,025 |
| Deficiency Payments | -\$440,125 | 456 | -\$965 |
| Conservation Programs | \$1,991,020,798 | 429,684 | \$4,634 |
| Conservation Reserve Program | \$1,807,458,649 | 397,707 | \$4,545 |
| Environmental Quality Incentives Program | \$118,268,708 | 23,585 | \$5,015 |
| Emergency Conservation Program | \$38,610,984 | 13,580 | \$2,843 |
| Wetlands Reserve Program | \$17,238,484 | 678 | \$25,425 |
| Miscellaneous Conservation Payments | \$8,811,436 | 1,839 | \$4,791 |
| Agricultural Conservation Program | \$631,544 | 175 | \$3,609 |
| Disaster Programs | \$1,327,570,716 | 469,165 | \$2,830 |
| Crop Disaster Payments | \$1,324,095,908 | 469,068 | \$2,823 |
| Karnal Bunt Programs | \$3,044,719 | 241 | \$12,634 |
| Livestock Disaster / Emergency | \$431,298 | 182 | \$2,370 |
| Tree Assistance Programs | -\$216 | 1 | -\$216 |

Source: Environmental Working Group, *Farm Subsidy Database*, United States: Subsidy Summary, Subsidy Detail, [<http://www.ewg.org:16080/farm/regiondetail.php?fips=00000&summlvl=2>].

Note: There is overlap of recipients across programs. For example, nearly all recipients of loan deficiency payments also were recipients of production flexibility contract payments. Similarly, many of the recipients of conservation reserve program payments also were recipients of production flexibility contract payments. On average, each individual recipient of farm subsidies received payments related to 1.71 separate programs.

Negative numbers represent reimbursements from farmers for excessive or disqualified payments.

It often is more helpful to examine commodity support payments by commodity rather than program. Farmers individually tend to specialize in certain commodities and this relates to the climate and soil conditions favored by the different commodities. In the absence of irrigation, corn and soybeans grow especially well in Iowa, Illinois, and surrounding states. Irrigation has made Texas and California leading cotton states, but production remains large in Mississippi, Georgia, and Arkansas. Rice, also, is a southern crop, with Arkansas the leading producer, while irrigation has moved California into second place. Wheat tolerates low rainfall and low humidity, and so is produced primarily in North Dakota, Kansas, Montana, Oklahoma, and Washington. Georgia dominates peanut production, but Texas is second with large irrigated acreage. **Table 2** presents the commodity support data by commodity.

Table 2. Commodity Subsidy Payments, by Commodity, 2002

| Commodity | Total Payments | Number of Recipients | Payment Per Recipient |
|----------------------------------|------------------------|----------------------|-----------------------|
| Total Commodity Subsidies | \$8,831,971,671 | 1,319,110 | \$6,695 |
| Corn | \$1,981,564,489 | 858,077 | \$2,309 |
| Cotton | \$1,669,746,908 | 127,582 | \$13,088 |
| Peanuts | \$1,092,846,187 | 63,139 | \$17,309 |
| Rice | \$1,073,167,886 | 34,888 | \$30,760 |
| Wheat | \$975,272,805 | 750,825 | \$1,299 |
| Dairy | \$848,347,339 | 71,976 | \$11,787 |
| Soybeans | \$670,801,852 | 250,622 | \$2,677 |
| Sorghum | \$188,981,974 | 312,031 | \$606 |
| Barley | \$82,801,044 | 182,657 | \$453 |
| Apples | \$74,334,966 | 6,469 | \$11,491 |
| Sugar | \$44,288,049 | 5,109 | \$8,669 |
| Sheep meat | \$32,401,797 | 17,210 | \$1,883 |
| Sunflower seed | \$6,518,597 | 5,910 | \$1,103 |
| Oats | \$6,226,386 | 345,197 | \$18 |
| Tobacco | \$4,990,960 | 17,623 | \$283 |
| Safflower seed | \$1,885,304 | 1,037 | \$1,818 |

Source: Environmental Working Group, *Farm Subsidy Database*, United States Summary, 2002 [<http://www.ewg.org/farm/region.php?fips=00000&progcode=total&yr=2002>]

Note: There is overlap of recipients across commodities. For example, many recipients of corn subsidies also were recipients of soybean subsidies.

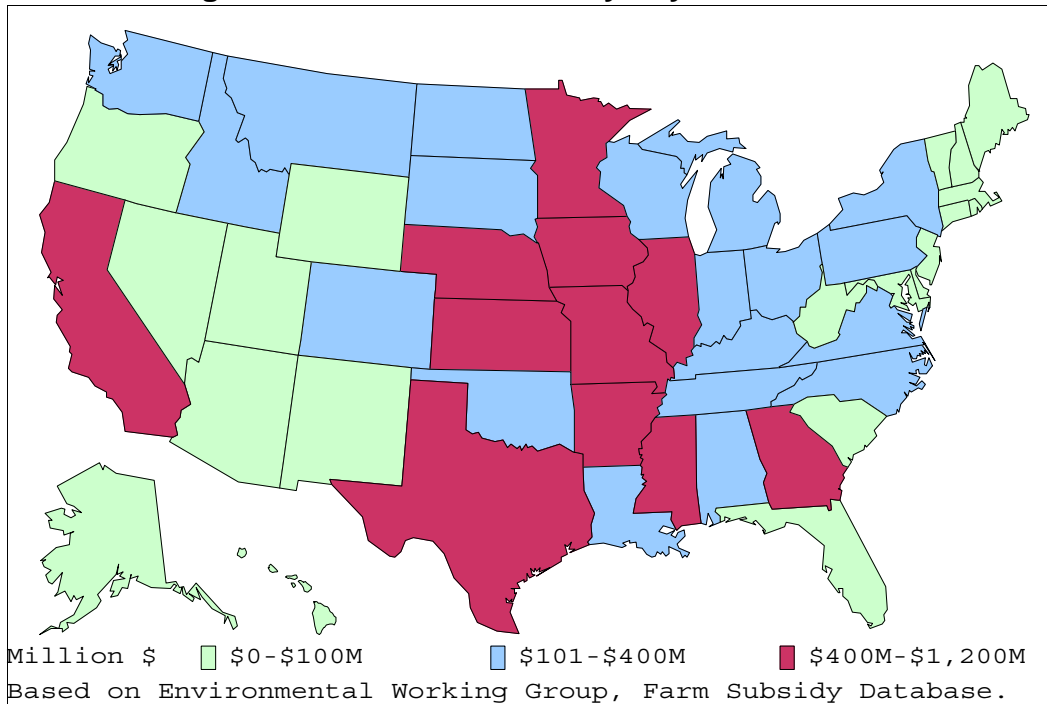
State-By-State Distribution of Total Farm Subsidy Payments

Figure 3 and **Table 3** show the geographic distribution of \$12.151 billion in total subsidy payments. Predictably, the farm states in the agricultural heartland of the country from the Canadian border to the Gulf of Mexico received most of the subsidy payments. The state receiving the largest amount was Texas, with nearly \$1.209 billion, followed by Iowa, Georgia, Arkansas, California, Illinois, and Nebraska, each receiving over \$500 million.

There were 2.129 million farms in the United States in 2002 according to the *2002 Census of Agriculture*, which defines a farm as producing and selling \$1,000 or more in agricultural products. The state with the largest number of farms was Texas (about 229,000), followed by Missouri (about 107,000). Not all farms in the nation received subsidy payments. Eligibility is linked to the production of certain commodities or to the adoption of certain conservation practices.

Commodities that received mandatory federal price and income support payments included wheat, corn, sorghum, barley, oats, rice, cotton, soybeans, sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame seed, peanuts, dry peas, lentils, small chickpeas, milk, sugar, wool, mohair, honey, and tobacco. Major categories of commodities are not supported, including fruits, vegetables, tree nuts, livestock meat, greenhouse and nursery crops, and hay and forage crops. Farm cash receipts from sales of supported commodities amounted to about \$53 billion in 2002, or 28% of the \$193 billion in national total commodity cash receipts in 2002.⁸ Some commodities not receiving mandatory support received disaster assistance and *ad hoc* market loss assistance payments in 2002.

⁸ Calculated from USDA, Economic Research Service, data on farm cash receipts.

Figure 3. Total Farm Subsidy Payments in 2002

Farm subsidy payments in 2002 totaled \$12.151 billion, of which:

- Commodity support payments totaled \$8.832 billion, including:
 - Corn, \$1.982 billion
 - Cotton, \$1.670 billion
 - Peanuts, \$1.092 billion
 - Rice, \$1.073 billion
 - Wheat, \$0.975 billion
 - Soybeans, \$0.671 billion
- Conservation payments totaled \$1.991 billion, including:
 - Conservation Reserve Program payments of \$1.807
- Disaster payments totaled \$1.328 billion.

The top 11 states received \$6.844 billion in farm subsidy payments (56.3% of the U.S. total):

- Texas, \$1,209 million (9.9%)
- Iowa, \$740 million (6.1%)
- Georgia, \$661 million (5.4%)
- Arkansas, \$660 million (5.4%)
- California, \$652 million (5.4%)
- Illinois, \$615 million (5.1%)
- Nebraska, \$539 million (4.4%)
- Minnesota, \$468 million (3.8%)
- Kansas, \$457 million (3.8%)
- Mississippi, \$438 million (3.6%)
- Missouri, \$406 million (3.3%)

Table 3. Subsidy Payments to Farm Operators and Landlords, by State, 2002

| Rank | State | Payments to Operators | | Payments to Landlords | | Total Payments | |
|-------------------|----------------|-----------------------|--------------------|-----------------------|--------------------|-------------------|-----------------------|
| | | (million \$) | Share of Total (%) | (million \$) | Share of Total (%) | (million \$) | Share of US Total (%) |
| All States | | \$6,545.7 | 54% | \$5,604.9 | 46% | \$12,150.6 | 100.0% |
| 1 | Texas | \$529.0 | 44% | \$680.0 | 56% | \$1,208.9 | 9.9% |
| 2 | Iowa | \$538.9 | 73% | \$201.1 | 27% | \$740.0 | 6.1% |
| 3 | Georgia | \$118.5 | 18% | \$542.1 | 82% | \$660.7 | 5.4% |
| 4 | Arkansas | \$238.6 | 36% | \$421.3 | 64% | \$659.9 | 5.4% |
| 5 | California | \$168.7 | 26% | \$483.4 | 74% | \$652.1 | 5.4% |
| 6 | Illinois | \$412.6 | 67% | \$202.5 | 33% | \$615.1 | 5.1% |
| 7 | Nebraska | \$347.5 | 64% | \$191.7 | 36% | \$539.2 | 4.4% |
| 8 | Minnesota | \$350.7 | 75% | \$116.8 | 25% | \$467.5 | 3.8% |
| 9 | Kansas | \$328.2 | 72% | \$128.6 | 28% | \$456.8 | 3.8% |
| 10 | Mississippi | \$145.5 | 33% | \$292.3 | 67% | \$437.8 | 3.6% |
| 11 | Missouri | \$264.5 | 65% | \$141.4 | 35% | \$405.9 | 3.3% |
| 12 | North Dakota | \$293.1 | 76% | \$90.6 | 24% | \$383.6 | 3.2% |
| 13 | Indiana | \$224.7 | 67% | \$110.2 | 33% | \$334.9 | 2.8% |
| 14 | South Dakota | \$215.1 | 64% | \$119.5 | 36% | \$334.6 | 2.8% |
| 15 | Wisconsin | \$247.9 | 75% | \$84.5 | 25% | \$332.4 | 2.7% |
| 16 | North Carolina | \$97.7 | 30% | \$226.2 | 70% | \$323.9 | 2.7% |
| 17 | Oklahoma | \$149.9 | 47% | \$167.3 | 53% | \$317.2 | 2.6% |
| 18 | Alabama | \$77.9 | 27% | \$211.3 | 73% | \$289.2 | 2.4% |
| 19 | Ohio | \$197.4 | 70% | \$83.6 | 30% | \$281.0 | 2.3% |
| 20 | Louisiana | \$123.6 | 47% | \$139.1 | 53% | \$262.7 | 2.2% |
| 21 | Montana | \$210.7 | 80% | \$51.2 | 20% | \$261.9 | 2.2% |
| 22 | Washington | \$133.8 | 62% | \$82.0 | 38% | \$215.7 | 1.8% |
| 23 | Colorado | \$125.8 | 60% | \$85.0 | 40% | \$210.8 | 1.7% |
| 24 | Michigan | \$144.8 | 76% | \$45.9 | 24% | \$190.7 | 1.6% |
| 25 | Virginia | \$54.7 | 30% | \$127.3 | 70% | \$181.9 | 1.5% |
| 26 | Idaho | \$93.9 | 57% | \$71.5 | 43% | \$165.4 | 1.4% |
| 27 | New York | \$110.2 | 69% | \$49.1 | 31% | \$159.4 | 1.3% |
| 28 | Tennessee | \$59.2 | 41% | \$86.5 | 59% | \$145.7 | 1.2% |
| 29 | Kentucky | \$94.1 | 68% | \$44.2 | 32% | \$138.3 | 1.1% |
| 30 | Pennsylvania | \$85.8 | 66% | \$44.4 | 34% | \$130.2 | 1.1% |
| 31 | Florida | \$21.8 | 26% | \$61.1 | 74% | \$82.9 | 0.7% |
| 32 | Oregon | \$52.1 | 65% | \$28.1 | 35% | \$80.2 | 0.7% |
| 33 | New Mexico | \$50.2 | 68% | \$24.1 | 32% | \$74.3 | 0.6% |
| 34 | Arizona | \$31.8 | 45% | \$38.5 | 55% | \$70.2 | 0.6% |
| 35 | Wyoming | \$37.9 | 57% | \$28.2 | 43% | \$66.1 | 0.5% |
| 36 | South Carolina | \$38.4 | 59% | \$27.0 | 41% | \$65.4 | 0.5% |

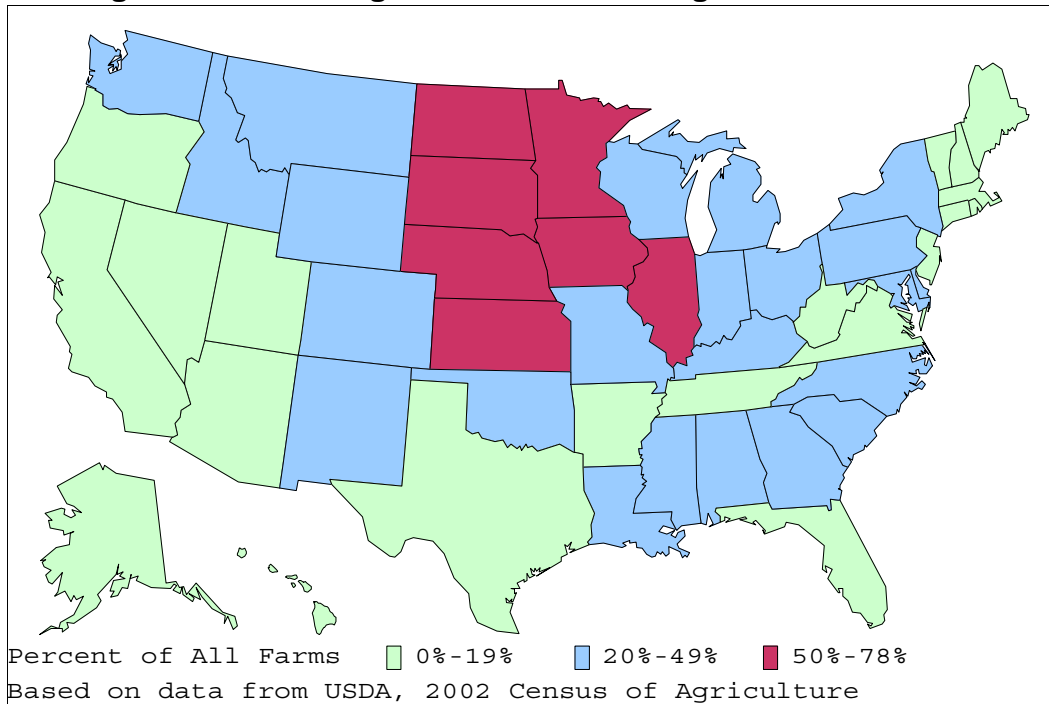
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| Rank | State | Payments to Operators | | Payments to Landlords | | Total Payments | |
|------|---------------|-----------------------|--------------------|-----------------------|--------------------|----------------|-----------------------|
| | | (million \$) | Share of Total (%) | (million \$) | Share of Total (%) | (million \$) | Share of US Total (%) |
| 37 | Utah | \$26.7 | 49% | \$27.6 | 51% | \$54.3 | 0.4% |
| 38 | Maryland | \$33.1 | 68% | \$15.8 | 32% | \$49.0 | 0.4% |
| 39 | Vermont | \$24.4 | 67% | \$12.1 | 33% | \$36.4 | 0.3% |
| 40 | Maine | \$8.7 | 63% | \$5.1 | 37% | \$13.7 | 0.1% |
| 41 | Delaware | \$8.6 | 72% | \$3.3 | 28% | \$11.9 | 0.1% |
| 42 | Nevada | \$4.3 | 38% | \$7.1 | 62% | \$11.4 | 0.1% |
| 43 | New Jersey | \$4.4 | 69% | \$2.0 | 31% | \$6.5 | 0.1% |
| 44 | Massachusetts | \$4.3 | 70% | \$1.8 | 30% | \$6.1 | 0.0% |
| 45 | West Virginia | \$5.2 | 91% | \$0.5 | 9% | \$5.7 | 0.0% |
| 46 | Connecticut | \$3.7 | 74% | \$1.3 | 26% | \$4.9 | 0.0% |
| 47 | New Hampshire | \$3.8 | 103% | -\$0.1 | -3% | \$3.7 | 0.0% |
| 48 | Hawaii | \$0.9 | 46% | \$1.0 | 54% | \$1.9 | 0.0% |
| 49 | Alaska | \$1.8 | 99% | \$0.0 | 1% | \$1.8 | 0.0% |
| 50 | Rhode Island | \$0.5 | 81% | \$0.1 | 19% | \$0.7 | 0.0% |

Source: Data on subsidy payments to farm operators are based on payments to farms reported in the *2002 Census of Agriculture*. Data on total subsidy payments are from the Environmental Working Group, *Farm Subsidy Database*. Payments to non-operator recipients are calculated as the difference between total payments and payments to operators.

Farms Receiving Subsidy Payments

Of the nation's 2.1 million farms, 707,596 (33%) received subsidy payments and 1,421,386 (67%) did not receive payments in 2002. **Figure 4** and **Table 4** show the percentage of farms in each state that received payments in 2002. In North Dakota, 78% of farms received subsidy payments, followed by Iowa, Illinois, Nebraska, South Dakota, Kansas, and Minnesota, each with payments going to more than half the farms in the state. This concentration reflects the specialization of farms in these states in the production of subsidized feed grains, oilseeds, and wheat. Generally the other states proportionally have more livestock and specialty crops that do not receive price support.

Figure 4. Percentage of Farms Receiving Subsidies in 2002

Nationally, 33% of farms received subsidies (707,596 farms out of 2,128,982).

More than 50% of the farms in each of seven states received subsidies in 2002. This proportion of subsidized farms reflects highly concentrated production of wheat, corn, and/or soybeans by most farms in these state. These states were:

- North Dakota (78%)
- Iowa (70%)
- Illinois (66%)
- Nebraska (65%)
- South Dakota (64%)
- Kansas (61%)
- Minnesota (54%)

**Table 4. Proportion of Farms Receiving Subsidy Payments,
by State, 2002**

| Rank | State | All Farms | Farms w/ Subsidies | Share of Farms w/ Subsidies (%) |
|-------------------|----------------|------------------|-----------------------|------------------------------------|
| All States | | 2,128,982 | 707,596 | 33% |
| 1 | North Dakota | 30,619 | 23,892 | 78% |
| 2 | Iowa | 90,655 | 63,074 | 70% |
| 3 | Illinois | 73,027 | 47,857 | 66% |
| 4 | Nebraska | 49,355 | 32,007 | 65% |
| 5 | South Dakota | 31,736 | 20,259 | 64% |
| 6 | Kansas | 64,414 | 39,191 | 61% |
| 7 | Minnesota | 80,839 | 43,927 | 54% |
| 8 | Wisconsin | 77,131 | 37,234 | 48% |
| 9 | Indiana | 60,296 | 26,841 | 45% |
| 10 | Montana | 27,870 | 12,389 | 44% |
| 11 | Missouri | 106,797 | 43,379 | 41% |
| 12 | Ohio | 77,797 | 28,851 | 37% |
| 13 | Michigan | 53,315 | 18,133 | 34% |
| 14 | Wyoming | 9,422 | 3,163 | 34% |
| 15 | Colorado | 31,369 | 10,163 | 32% |
| 16 | Georgia | 49,311 | 15,510 | 31% |
| 17 | Mississippi | 42,186 | 12,383 | 29% |
| 18 | Oklahoma | 83,300 | 24,316 | 29% |
| 19 | Alabama | 45,126 | 12,863 | 29% |
| 20 | Idaho | 25,017 | 7,098 | 28% |
| 21 | Maryland | 12,198 | 3,372 | 28% |
| 22 | Louisiana | 27,413 | 7,562 | 28% |
| 23 | New York | 37,255 | 9,896 | 27% |
| 24 | Kentucky | 86,541 | 22,825 | 26% |
| 25 | Delaware | 2,391 | 617 | 26% |
| 26 | South Carolina | 24,541 | 6,112 | 25% |
| 27 | North Carolina | 53,930 | 12,312 | 23% |
| 28 | New Mexico | 15,170 | 3,246 | 21% |
| 29 | Pennsylvania | 58,105 | 11,991 | 21% |
| 30 | Washington | 35,939 | 7,332 | 20% |
| 31 | Vermont | 6,571 | 1,296 | 20% |
| 32 | Utah | 15,282 | 2,987 | 20% |
| 33 | Virginia | 47,606 | 9,206 | 19% |
| 34 | Texas | 228,926 | 42,217 | 18% |
| 35 | Tennessee | 87,595 | 16,034 | 18% |
| 36 | Maine | 7,196 | 1,244 | 17% |
| 37 | Arkansas | 47,483 | 7,811 | 16% |
| 38 | Nevada | 2,989 | 439 | 15% |
| 39 | Alaska | 609 | 72 | 12% |
| 40 | Arizona | 7,294 | 833 | 11% |
| 41 | Oregon | 40,033 | 4,430 | 11% |
| 42 | New Hampshire | 3,363 | 359 | 11% |
| 43 | California | 79,631 | 7,228 | 9% |
| 44 | West Virginia | 20,812 | 1,675 | 8% |

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| Rank | State | All Farms | Farms w/ Subsidies | Share of Farms w/ Subsidies (%) |
|------|---------------|-----------|-----------------------|------------------------------------|
| 45 | Massachusetts | 6,075 | 415 | 7% |
| 46 | Connecticut | 4,191 | 254 | 6% |
| 47 | Rhode Island | 858 | 52 | 6% |
| 48 | New Jersey | 9,924 | 582 | 6% |
| 49 | Florida | 44,081 | 2,554 | 6% |
| 50 | Hawaii | 5,398 | 113 | 2% |

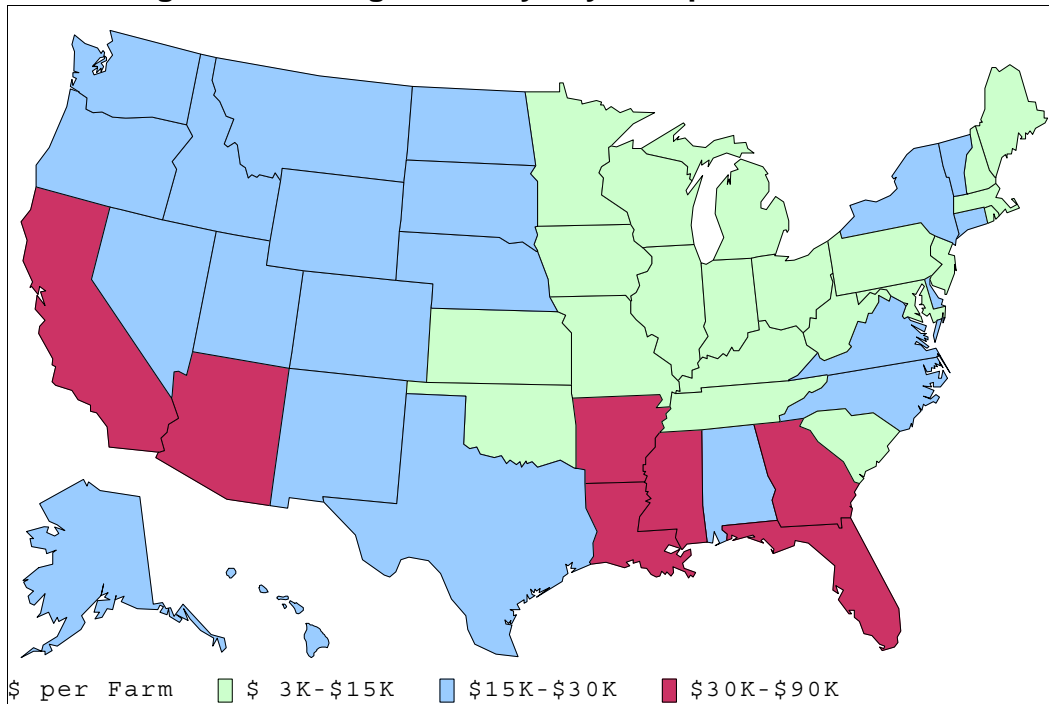
Source: Data on farms and farms receiving subsidies are from the *2002 Census of Agriculture*.

Subsidy Payments per Farm

Total subsidy payments of \$12.151 billion divided among 707,596 recipient farms is equal to \$17,172 per farm. However, the average by state ranges from \$90,214 per farm in California to \$3,401 in West Virginia (see **Figure 5** and **Table 5**). Generally, the states with the largest per-farm payments are those that produce rice and cotton. Other states receiving the larger per-farm payments in 2002 benefitted from peanut quota buyout payments, disaster payments, and apple market loss assistance payments.

While each farm has an operator, there may be other individuals associated with the farm who are eligible to receive subsidy payments. Generally, individuals must be actively engaged in the farming operation to receive subsidy payments. Actively engaged means providing a significant contribution of capital, land, or equipment, as well as a significant contribution of personal labor or active personal management to the operation. This personal contribution of labor or management must be in proportion to the share of the farm's profits and losses and it must be at risk. A landlord receiving crop share rent is likely considered actively engaged while a landlord receiving cash rent is not actively engaged.⁹

⁹ The interpretation and application of the legal requirement concerning the phrase “actively engaged” was examined in General Accounting Office testimony titled *Farm Program Payments: USDA Should Correct Weaknesses in Regulations and Oversight to Better Ensure Recipients Do Not Circumvent Payment Limitations* before the Senate Committee on Finance on June 16, 2004 (GAO-04-861T).

Figure 5. Average Subsidy Payment per Farm in 2002

Source: Based on data from USDA, 2002 Census of Agriculture, and Environmental Working Group, Farm Subsidy Database.

Subsidy payments per farm (among only the farms receiving subsidies) averaged \$17,172 in 2002.

The highest per-farm payments were made in California, Arkansas, and Arizona.

- California (\$90,214 per farm) is notable for large rice, cotton, and dairy farms dominating the farm subsidy payments.
- Arkansas (\$84,480 per farm) is the leading rice state, with many of the rice farms being large. Also, rice cooperatives in Arkansas may be the initial recipient of payments that are subsequently distributed among member farms.
- Arizona (\$84,329 per farm) is notable for payments to a few, but large, cotton, dairy, and peanut farms.
- Large per-farm payments in Georgia and Florida reflect peanut quota buyout payments that were unique to 2002.
- Large per-farm payments in Mississippi reflect payments for peanuts, rice, cotton, and milk.
- Large per-farm payments in Louisiana reflect payments for rice, cotton, and milk.

**Table 5. Total Subsidy Payments Per Farm,
by State, 2002**

| Rank | State | Farms w/ Subsidies | Total Payments (thousand \$) | Subsidy Per Recipient Farm (average) |
|-------------------|----------------|-----------------------|---------------------------------|--|
| All States | | 707,596 | \$12,150,563 | \$17,172 |
| 1 | California | 7,228 | \$652,065 | \$90,214 |
| 2 | Arkansas | 7,811 | \$659,871 | \$84,480 |
| 3 | Arizona | 833 | \$70,246 | \$84,329 |
| 4 | Georgia | 15,510 | \$660,662 | \$42,596 |
| 5 | Mississippi | 12,383 | \$437,762 | \$35,352 |
| 6 | Louisiana | 7,562 | \$262,702 | \$34,740 |
| 7 | Florida | 2,554 | \$82,881 | \$32,451 |
| 8 | Washington | 7,332 | \$215,736 | \$29,424 |
| 9 | Texas | 42,217 | \$1,208,944 | \$28,636 |
| 10 | Vermont | 1,296 | \$36,441 | \$28,118 |
| 11 | North Carolina | 12,312 | \$323,911 | \$26,309 |
| 12 | Nevada | 439 | \$11,378 | \$25,918 |
| 13 | Alaska | 72 | \$1,783 | \$24,766 |
| 14 | Idaho | 7,098 | \$165,428 | \$23,306 |
| 15 | New Mexico | 3,246 | \$74,323 | \$22,897 |
| 16 | Alabama | 12,863 | \$289,183 | \$22,482 |
| 17 | Montana | 12,389 | \$261,945 | \$21,143 |
| 18 | Wyoming | 3,163 | \$66,085 | \$20,893 |
| 19 | Colorado | 10,163 | \$210,758 | \$20,738 |
| 20 | Virginia | 9,206 | \$181,928 | \$19,762 |
| 21 | Connecticut | 254 | \$4,946 | \$19,472 |
| 22 | Delaware | 617 | \$11,939 | \$19,350 |
| 23 | Utah | 2,987 | \$54,304 | \$18,180 |
| 24 | Oregon | 4,430 | \$80,177 | \$18,099 |
| 25 | Hawaii | 113 | \$1,911 | \$16,911 |
| 26 | Nebraska | 32,007 | \$539,214 | \$16,847 |
| 27 | South Dakota | 20,259 | \$334,633 | \$16,518 |
| 28 | New York | 9,896 | \$159,377 | \$16,105 |
| 29 | North Dakota | 23,892 | \$383,645 | \$16,057 |
| 30 | Massachusetts | 415 | \$6,070 | \$14,627 |
| 31 | Maryland | 3,372 | \$48,953 | \$14,517 |
| 32 | Oklahoma | 24,316 | \$317,194 | \$13,045 |
| 33 | Illinois | 47,857 | \$615,111 | \$12,853 |
| 34 | Rhode Island | 52 | \$651 | \$12,519 |
| 35 | Indiana | 26,841 | \$334,917 | \$12,478 |
| 36 | Iowa | 63,074 | \$739,968 | \$11,732 |
| 37 | Kansas | 39,191 | \$456,829 | \$11,656 |
| 38 | New Jersey | 582 | \$6,476 | \$11,127 |
| 39 | Maine | 1,244 | \$13,745 | \$11,049 |
| 40 | Pennsylvania | 11,991 | \$130,179 | \$10,856 |
| 41 | South Carolina | 6,112 | \$65,358 | \$10,693 |
| 42 | Minnesota | 43,927 | \$467,542 | \$10,644 |
| 43 | Michigan | 18,133 | \$190,686 | \$10,516 |

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| Rank | State | Farms w/ Subsidies | Total Payments (thousand \$) | Subsidy Per Recipient Farm (average) |
|------|---------------|-----------------------|---------------------------------|--|
| 44 | New Hampshire | 359 | \$3,701 | \$10,308 |
| 45 | Ohio | 28,851 | \$281,031 | \$9,741 |
| 46 | Missouri | 43,379 | \$405,873 | \$9,356 |
| 47 | Tennessee | 16,034 | \$145,723 | \$9,088 |
| 48 | Wisconsin | 37,234 | \$332,425 | \$8,928 |
| 49 | Kentucky | 22,825 | \$138,257 | \$6,057 |
| 50 | West Virginia | 1,675 | \$5,696 | \$3,401 |

Source: Data on the number of farms receiving subsidies are from the *2002 Census of Agriculture*. Data on total subsidy payments are from the Environmental Working Group, *Farm Subsidy Database*.

Subsidy Payments to Farm Operators and Landlords

There were 1,705,514 separate recipients of farm subsidy payments in 2002, associated with 707,596 farms. In nearly all cases, the recipients were individual farm operators and non-operator landlords. However, in some cases the recipients were legal business entities, such as partnerships, corporations, cooperatives, and trusts involving more than one individual. In the terminology of the law each of the farm operators, landlords, or other legal entities is called a “person” and is subject to limits on the size of payments from subsidy programs.¹⁰

A simplifying assumption is made for purposes of this analysis that each of the 707,596 farms receiving subsidy payments has a single operator. It is further assumed the difference between the 707,596 farm operators and the 1,705,514 total subsidy recipients (equaling 997,918) are farm landlords.¹¹ For the most part, these 997,918 landlords are the owners of farmland that is rented to operators. Often, the landlords are relatives of farm operators and neighboring landowners who have left farming. It is typical for farmland to be owned collectively by the children of a former farm family, none of whom remains in farming but who continue to retain ownership of their former family farm.

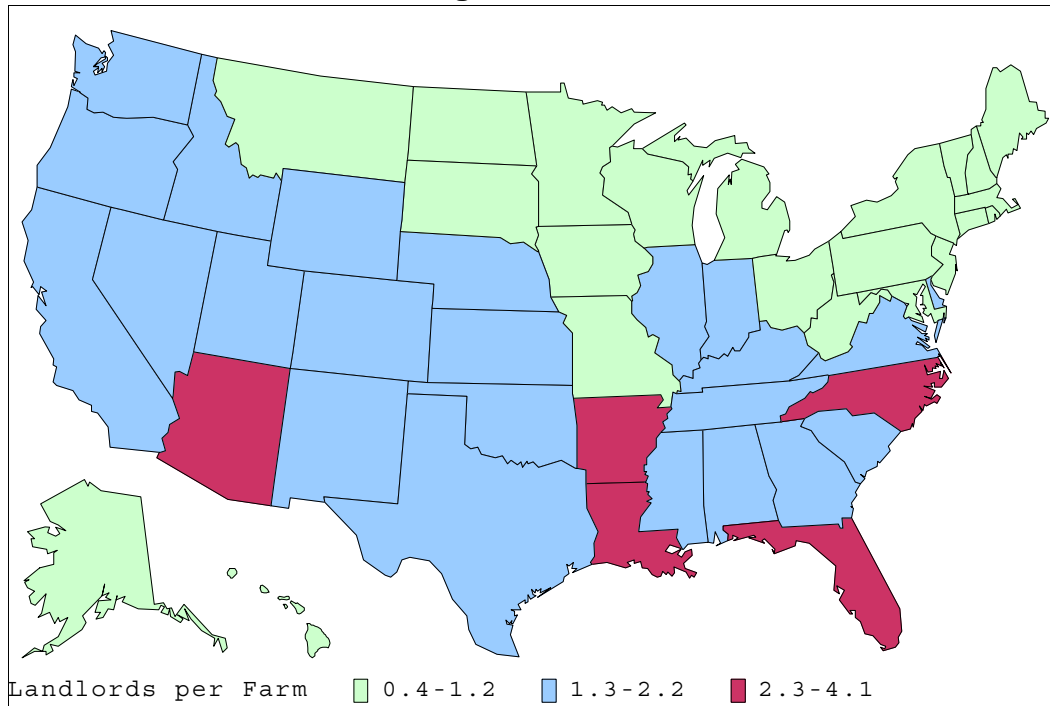
Given the aforementioned assumption, **Figure 6** and **Table 6** show the proportion of landlords to farm operators in each state. On average there were 1.41 landlords receiving subsidy payments for every farm operator who received payments. However, there was a range among states from 4.05 landlords per operator in Arizona down to 0.44 in Alaska. Differences between states in the ratio of farm operators to landlords reflect differing commodity specializations, regional approaches to farm consolidation, and regional attitudes toward farmland ownership. Also, annual per-person payment limits create an incentive to add actively engaged landlords rather than expand the acreage owned by the farm operator.

The national average farm subsidy payment to each farm operator in 2002 was \$9,251, and the average subsidy to each non-operator recipient was \$5,617. Since there were 1.41 off-farm landlords for each farm, the average subsidy per farm to off-farm landlords was \$7,921 (86% of the amount paid to each operator). **Table 7** shows the distribution payments to farm operators and **Table 8** shows the distribution of payments to off-farm landlords.

¹⁰ See CRS Report RS21779, *Grains, Cotton, Oilseeds, and Peanuts: Payments Under the 2002 Farm Bill*, for more information on per-person payment limits related to commodity support programs.

¹¹ To be eligible for commodity payments, a person must be actively engaged in farming. This can be achieved by providing a significant contribution of capital, land, or equipment, as well as a significant contribution of personal labor or active personal management to the operation. Few people qualify for commodity payments who are not operators or landlords.

Figure 6. Average Number of Landlords per Farm Receiving Subsidies in 2002



Source: Based on data from USDA, 2002 Census of Agriculture, and Environmental Working Group, Farm Subsidy Database.

The national average number of landlords (non-operator recipients) per farm that received subsidies in 2002 was 1.41.

- Arizona (4.1) and Louisiana (3.2) had the largest number of landlords per farm that received subsidies.
- In the northeast and along the northern border of the country there were more full owner-operators. These states fell below the national average of 1.41 landlord per farm.

Table 6. Subsidy Recipients Per Farm, by State, 2002

| Rank | State | All Recipients | Operator Recipients | Landlord Recipients | Landlord Recipients Per Farm |
|-------------------|----------------|------------------|---------------------|---------------------|------------------------------|
| All States | | 1,705,514 | 707,596 | 997,918 | 1.41 |
| 1 | Arizona | 4,209 | 833 | 3,376 | 4.05 |
| 2 | Louisiana | 31,889 | 7,562 | 24,327 | 3.22 |
| 3 | North Carolina | 46,599 | 12,312 | 34,287 | 2.78 |
| 4 | Arkansas | 28,758 | 7,811 | 20,947 | 2.68 |
| 5 | Florida | 8,340 | 2,554 | 5,786 | 2.27 |
| 6 | Kentucky | 74,083 | 22,825 | 51,258 | 2.25 |
| 7 | Tennessee | 51,298 | 16,034 | 35,264 | 2.20 |
| 8 | Alabama | 40,477 | 12,863 | 27,614 | 2.15 |
| 9 | Georgia | 46,951 | 15,510 | 31,441 | 2.03 |
| 10 | Nevada | 1,257 | 439 | 818 | 1.86 |
| 11 | Kansas | 111,751 | 39,191 | 72,560 | 1.85 |
| 12 | Illinois | 134,870 | 47,857 | 87,013 | 1.82 |
| 13 | Virginia | 25,375 | 9,206 | 16,169 | 1.76 |
| 14 | New Mexico | 8,916 | 3,246 | 5,670 | 1.75 |
| 15 | California | 19,780 | 7,228 | 12,552 | 1.74 |
| 16 | Colorado | 27,164 | 10,163 | 17,001 | 1.67 |
| 17 | Indiana | 71,615 | 26,841 | 44,774 | 1.67 |
| 18 | Texas | 111,512 | 42,217 | 69,295 | 1.64 |
| 19 | South Carolina | 16,134 | 6,112 | 10,022 | 1.64 |
| 20 | Idaho | 18,505 | 7,098 | 11,407 | 1.61 |
| 21 | Oklahoma | 63,183 | 24,316 | 38,867 | 1.60 |
| 22 | Washington | 18,650 | 7,332 | 11,318 | 1.54 |
| 23 | Nebraska | 78,240 | 32,007 | 46,233 | 1.44 |
| 24 | Mississippi | 29,444 | 12,383 | 17,061 | 1.38 |
| 25 | Utah | 7,063 | 2,987 | 4,076 | 1.36 |
| 26 | Oregon | 10,474 | 4,430 | 6,044 | 1.36 |
| 27 | Delaware | 1,436 | 617 | 819 | 1.33 |
| 28 | Wyoming | 7,360 | 3,163 | 4,197 | 1.33 |
| 29 | Hawaii | 253 | 113 | 140 | 1.24 |
| 30 | Ohio | 64,311 | 28,851 | 35,460 | 1.23 |
| 31 | Montana | 27,591 | 12,389 | 15,202 | 1.23 |
| 32 | South Dakota | 44,982 | 20,259 | 24,723 | 1.22 |
| 33 | Massachusetts | 909 | 415 | 494 | 1.19 |
| 34 | Missouri | 94,784 | 43,379 | 51,405 | 1.19 |
| 35 | Vermont | 2,821 | 1,296 | 1,525 | 1.18 |
| 36 | Michigan | 38,093 | 18,133 | 19,960 | 1.10 |
| 37 | North Dakota | 49,089 | 23,892 | 25,197 | 1.05 |
| 38 | Maine | 2,533 | 1,244 | 1,289 | 1.04 |
| 39 | Rhode Island | 105 | 52 | 53 | 1.02 |
| 40 | West Virginia | 3,297 | 1,675 | 1,622 | 0.97 |
| 41 | Connecticut | 494 | 254 | 240 | 0.94 |
| 42 | New Jersey | 1,129 | 582 | 547 | 0.94 |
| 43 | Maryland | 6,510 | 3,372 | 3,138 | 0.93 |
| 44 | Iowa | 119,308 | 63,074 | 56,234 | 0.89 |

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| Rank | State | All Recipients | Operator Recipients | Landlord Recipients | Landlord Recipients Per Farm |
|------|---------------|----------------|---------------------|---------------------|------------------------------|
| 45 | New Hampshire | 643 | 359 | 284 | 0.79 |
| 46 | New York | 17,087 | 9,896 | 7,191 | 0.73 |
| 47 | Minnesota | 75,310 | 43,927 | 31,383 | 0.71 |
| 48 | Wisconsin | 63,345 | 37,234 | 26,111 | 0.70 |
| 49 | Pennsylvania | 19,992 | 11,991 | 8,001 | 0.67 |
| 50 | Alaska | 104 | 72 | 32 | 0.44 |

Source: Data on the number of subsidy recipients are from the Environmental Working Group, *Farm Subsidy Database*. The data on the number of farm operators receiving subsidies are assumed to equal the number of farms receiving subsidies, which are from the *2002 Census of Agriculture*.

**Table 7. Average Subsidy Payments to Farm Operators,
by State, 2002**

| Rank | State | Operator Recipients | Payments to Operators | |
|-------------------|----------------|---------------------|-----------------------|-----------------|
| | | | Total \$ (thousand) | \$ Per Operator |
| All States | | 707,596 | \$6,545,678 | \$9,251 |
| 1 | Arizona | 833 | \$31,760 | \$38,127 |
| 2 | Arkansas | 7,811 | \$238,577 | \$30,544 |
| 3 | Alaska | 72 | \$1,765 | \$24,514 |
| 4 | California | 7,228 | \$168,698 | \$23,340 |
| 5 | Vermont | 1,296 | \$24,377 | \$18,809 |
| 6 | Washington | 7,332 | \$133,763 | \$18,244 |
| 7 | Montana | 12,389 | \$210,749 | \$17,011 |
| 8 | Louisiana | 7,562 | \$123,599 | \$16,345 |
| 9 | New Mexico | 3,246 | \$50,201 | \$15,465 |
| 10 | Connecticut | 254 | \$3,681 | \$14,492 |
| 11 | Delaware | 617 | \$8,643 | \$14,008 |
| 12 | Idaho | 7,098 | \$93,934 | \$13,234 |
| 13 | Texas | 42,217 | \$528,979 | \$12,530 |
| 14 | Colorado | 10,163 | \$125,774 | \$12,376 |
| 15 | North Dakota | 23,892 | \$293,067 | \$12,266 |
| 16 | Wyoming | 3,163 | \$37,913 | \$11,986 |
| 17 | Oregon | 4,430 | \$52,085 | \$11,757 |
| 18 | Mississippi | 12,383 | \$145,508 | \$11,751 |
| 19 | New York | 9,896 | \$110,234 | \$11,139 |
| 20 | Nebraska | 32,007 | \$347,517 | \$10,858 |
| 21 | New Hampshire | 359 | \$3,823 | \$10,649 |
| 22 | South Dakota | 20,259 | \$215,084 | \$10,617 |
| 23 | Massachusetts | 415 | \$4,268 | \$10,284 |
| 24 | Rhode Island | 52 | \$528 | \$10,154 |
| 25 | Nevada | 439 | \$4,322 | \$9,845 |
| 26 | Maryland | 3,372 | \$33,131 | \$9,825 |
| 27 | Utah | 2,987 | \$26,669 | \$8,928 |
| 28 | Illinois | 47,857 | \$412,636 | \$8,622 |
| 29 | Iowa | 63,074 | \$538,896 | \$8,544 |
| 30 | Florida | 2,554 | \$21,818 | \$8,543 |
| 31 | Kansas | 39,191 | \$328,244 | \$8,375 |
| 32 | Indiana | 26,841 | \$224,701 | \$8,372 |
| 33 | Minnesota | 43,927 | \$350,709 | \$7,984 |
| 34 | Michigan | 18,133 | \$144,771 | \$7,984 |
| 35 | North Carolina | 12,312 | \$97,696 | \$7,935 |
| 36 | Hawaii | 113 | \$886 | \$7,841 |
| 37 | Georgia | 15,510 | \$118,535 | \$7,642 |
| 38 | New Jersey | 582 | \$4,441 | \$7,631 |
| 39 | Pennsylvania | 11,991 | \$85,794 | \$7,155 |
| 40 | Maine | 1,244 | \$8,664 | \$6,965 |
| 41 | Ohio | 28,851 | \$197,425 | \$6,843 |
| 42 | Wisconsin | 37,234 | \$247,942 | \$6,659 |

| Rank | State | Operator Recipients | Payments to Operators | |
|------|----------------|---------------------|-----------------------|-----------------|
| | | | Total \$ (thousand) | \$ Per Operator |
| 43 | South Carolina | 6,112 | \$38,384 | \$6,280 |
| 44 | Oklahoma | 24,316 | \$149,942 | \$6,166 |
| 45 | Missouri | 43,379 | \$264,475 | \$6,097 |
| 46 | Alabama | 12,863 | \$77,930 | \$6,058 |
| 47 | Virginia | 9,206 | \$54,677 | \$5,939 |
| 48 | Kentucky | 22,825 | \$94,053 | \$4,121 |
| 49 | Tennessee | 16,034 | \$59,231 | \$3,694 |
| 50 | West Virginia | 1,675 | \$5,180 | \$3,093 |

Source: Operator recipients are assumed to match data on farms receiving subsidies as reported by the 2002 Census of Agriculture.

**Table 8. Average Subsidy Payments to Landlords,
by State, 2002**

| Rank | State | Landlord Recipients | Payments to Landlords | |
|-------------------|----------------|---------------------|-----------------------|-----------------|
| | | | Total \$ (thousand) | \$ Per Landlord |
| All States | | 997,918 | \$5,604,885 | \$5,617 |
| 1 | California | 12,552 | \$483,367 | \$38,509 |
| 2 | Arkansas | 20,947 | \$421,294 | \$20,112 |
| 3 | Georgia | 31,441 | \$542,127 | \$17,243 |
| 4 | Mississippi | 17,061 | \$292,254 | \$17,130 |
| 5 | Arizona | 3,376 | \$38,486 | \$11,400 |
| 6 | Florida | 5,786 | \$61,063 | \$10,553 |
| 7 | Texas | 69,295 | \$679,965 | \$9,813 |
| 8 | Nevada | 818 | \$7,056 | \$8,626 |
| 9 | Vermont | 1,525 | \$12,064 | \$7,911 |
| 10 | Virginia | 16,169 | \$127,251 | \$7,870 |
| 11 | Alabama | 27,614 | \$211,253 | \$7,650 |
| 12 | Hawaii | 140 | \$1,025 | \$7,321 |
| 13 | Washington | 11,318 | \$81,973 | \$7,243 |
| 14 | New York | 7,191 | \$49,143 | \$6,834 |
| 15 | Utah | 4,076 | \$27,635 | \$6,780 |
| 16 | Wyoming | 4,197 | \$28,172 | \$6,712 |
| 17 | North Carolina | 34,287 | \$226,215 | \$6,598 |
| 18 | Idaho | 11,407 | \$71,494 | \$6,268 |
| 19 | Louisiana | 24,327 | \$139,103 | \$5,718 |
| 20 | Pennsylvania | 8,001 | \$44,385 | \$5,547 |
| 21 | Connecticut | 240 | \$1,265 | \$5,270 |
| 22 | Maryland | 3,138 | \$15,822 | \$5,042 |
| 23 | Colorado | 17,001 | \$84,984 | \$4,999 |
| 24 | South Dakota | 24,723 | \$119,549 | \$4,836 |
| 25 | Oregon | 6,044 | \$28,092 | \$4,648 |
| 26 | Oklahoma | 38,867 | \$167,252 | \$4,303 |
| 27 | New Mexico | 5,670 | \$24,122 | \$4,254 |
| 28 | Nebraska | 46,233 | \$191,697 | \$4,146 |
| 29 | Delaware | 819 | \$3,296 | \$4,025 |
| 30 | Maine | 1,289 | \$5,081 | \$3,942 |
| 31 | Minnesota | 31,383 | \$116,833 | \$3,723 |
| 32 | New Jersey | 547 | \$2,035 | \$3,720 |
| 33 | Massachusetts | 494 | \$1,802 | \$3,648 |
| 34 | North Dakota | 25,197 | \$90,578 | \$3,595 |
| 35 | Iowa | 56,234 | \$201,072 | \$3,576 |
| 36 | Montana | 15,202 | \$51,196 | \$3,368 |
| 37 | Wisconsin | 26,111 | \$84,483 | \$3,236 |
| 38 | Missouri | 51,405 | \$141,398 | \$2,751 |
| 39 | South Carolina | 10,022 | \$26,974 | \$2,691 |
| 40 | Indiana | 44,774 | \$110,216 | \$2,462 |
| 41 | Tennessee | 35,264 | \$86,492 | \$2,453 |

| Rank | State | Landlord Recipients | Payments to Landlords | |
|------|---------------|---------------------|-----------------------|-----------------|
| | | | Total \$ (thousand) | \$ Per Landlord |
| 42 | Ohio | 35,460 | \$83,606 | \$2,358 |
| 43 | Illinois | 87,013 | \$202,475 | \$2,327 |
| 44 | Rhode Island | 53 | \$123 | \$2,321 |
| 45 | Michigan | 19,960 | \$45,915 | \$2,300 |
| 46 | Kansas | 72,560 | \$128,585 | \$1,772 |
| 47 | Kentucky | 51,258 | \$44,204 | \$862 |
| 48 | Alaska | 32 | \$18 | \$568 |
| 49 | West Virginia | 1,622 | \$516 | \$318 |
| 50 | New Hampshire | 284 | -\$122 | -\$431 |

Source: Data in this table are tabulated from 2002 *Census of Agriculture* and Environmental Working Group, *Farm Subsidy Database*, data shown elsewhere in this report.

Concentration of Farm Subsidy Payments

Data on average payment per farm operator and the average payment per landlord mask the fact that payments were concentrated among a comparatively small proportion of the recipients. **Table 9** shows that 85,358 top recipients (5% of all recipients) received 50% of all payments for an average of \$70,523 per recipient. Included in the very top recipients are a number of cooperatives, corporations, and trusts that divided the payments among several and sometimes numerous farmers. In addition, several individuals received multi-million dollar payments, particularly in conjunction with the peanut quota buyout.

Table 9. Farm Subsidy Payments Reach a Large Number of Recipients, But Most of the Money Goes to a Few

| % of All Recipients | % of Payments | Number of Recipients | Total Subsidy Payments | Average Payment Per Recipient |
|---------------------|---------------|----------------------|------------------------|-------------------------------|
| Top 5% | 50% | 85,358 | \$6,019,739,668 | \$70,523 |
| Next 5% | 15% | 85,359 | \$1,865,686,784 | \$21,857 |
| Next 10% | 16% | 170,718 | \$1,970,454,705 | \$11,542 |
| Remaining 80% | 19% | 1,365,741 | \$2,294,682,028 | \$1,680 |
| All Recipients | 100% | 1,705,514 | \$12,150,563,185 | \$7,124 |

Source: Environmental Working Group, *Farm Subsidy Database*.