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Tools for Community Self-determination

Nebraska Panhandle
Local Farm & Food Economy

by Ken Meter, Crossroads Resource Center (Minneapolis)
for
Center for Rural Affairs
and
USDA Heartland Regional Business Center

With the generous assistance of Hawley Hamlet (Lincoln, Nebraska)

February, 2025

Covers Banner, Box Butte, Cheyenne, Dawes, Deuel, Garden, Kimball, Morrill, Scotts Bluff, Sheridan, & Sioux Counties in Nebraska.
(11 Counties)

Photo by Kylie Kai, Center for Rural Affairs

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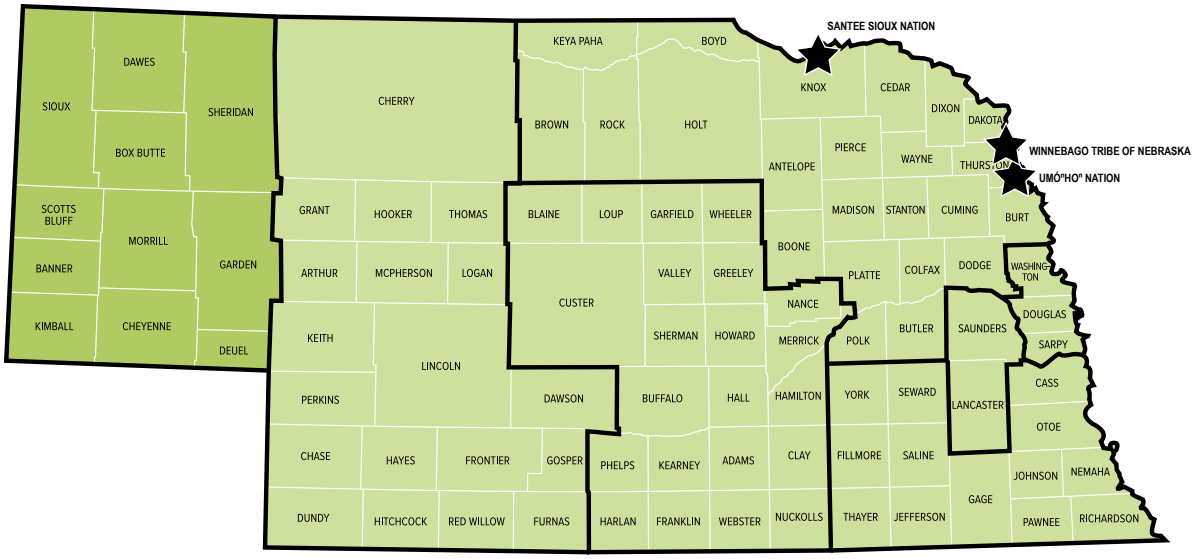
Nebraska Panhandle



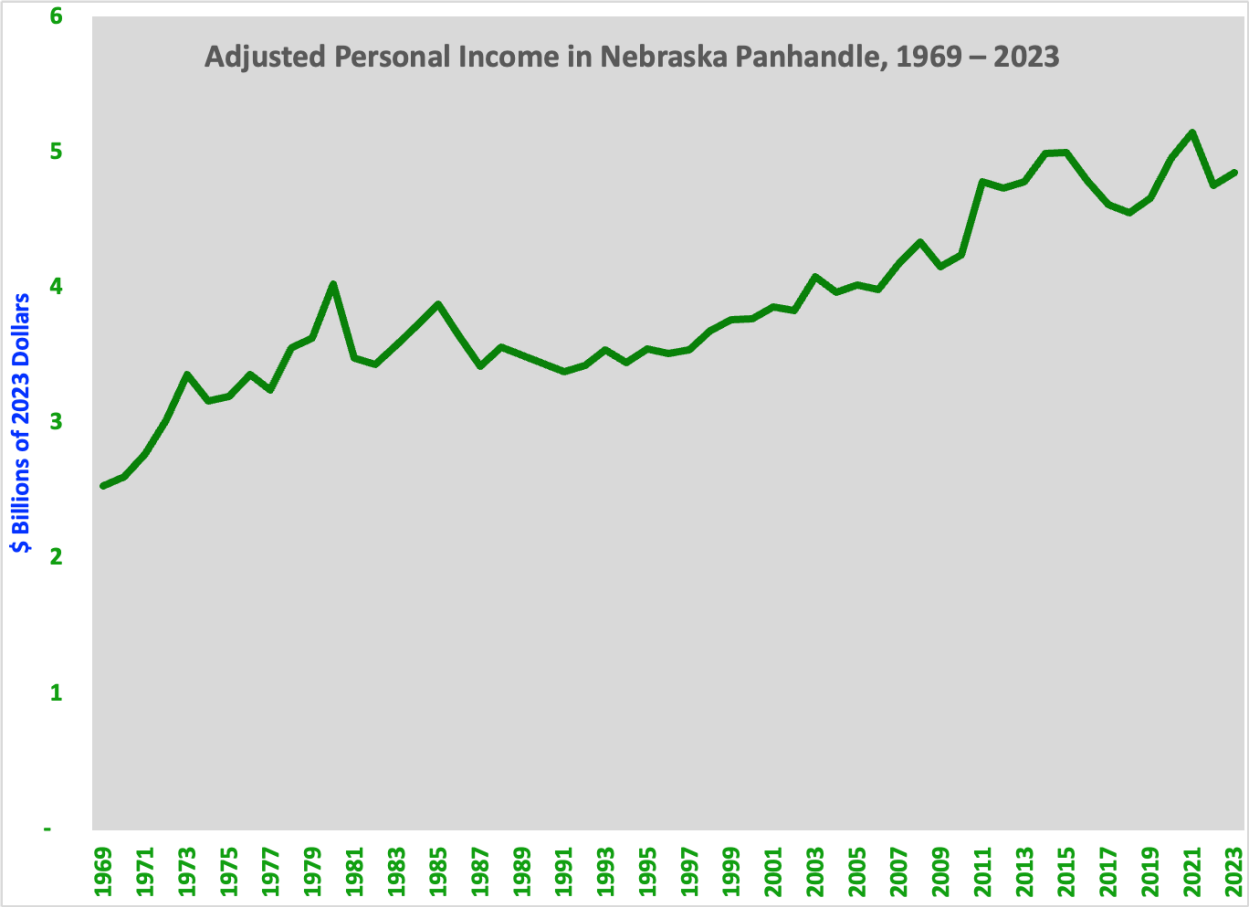
Map by Kylie Kai, Center for Rural Affairs

Personal Income, Poverty, & Food Insecurity

Personal Income in Nebraska Panhandle

82,279 Nebraska Panhandle residents received $4.9 billion of income in 2023 (See Chart 1). This was an increase of 91% from $2.5 billion 1969, with dollars adjusted for inflation.

Chart 1: Adjusted Personal Income in Nebraska Panhandle, 1969 – 2023



Source: Bureau of Economic Analysis, 2023. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index.

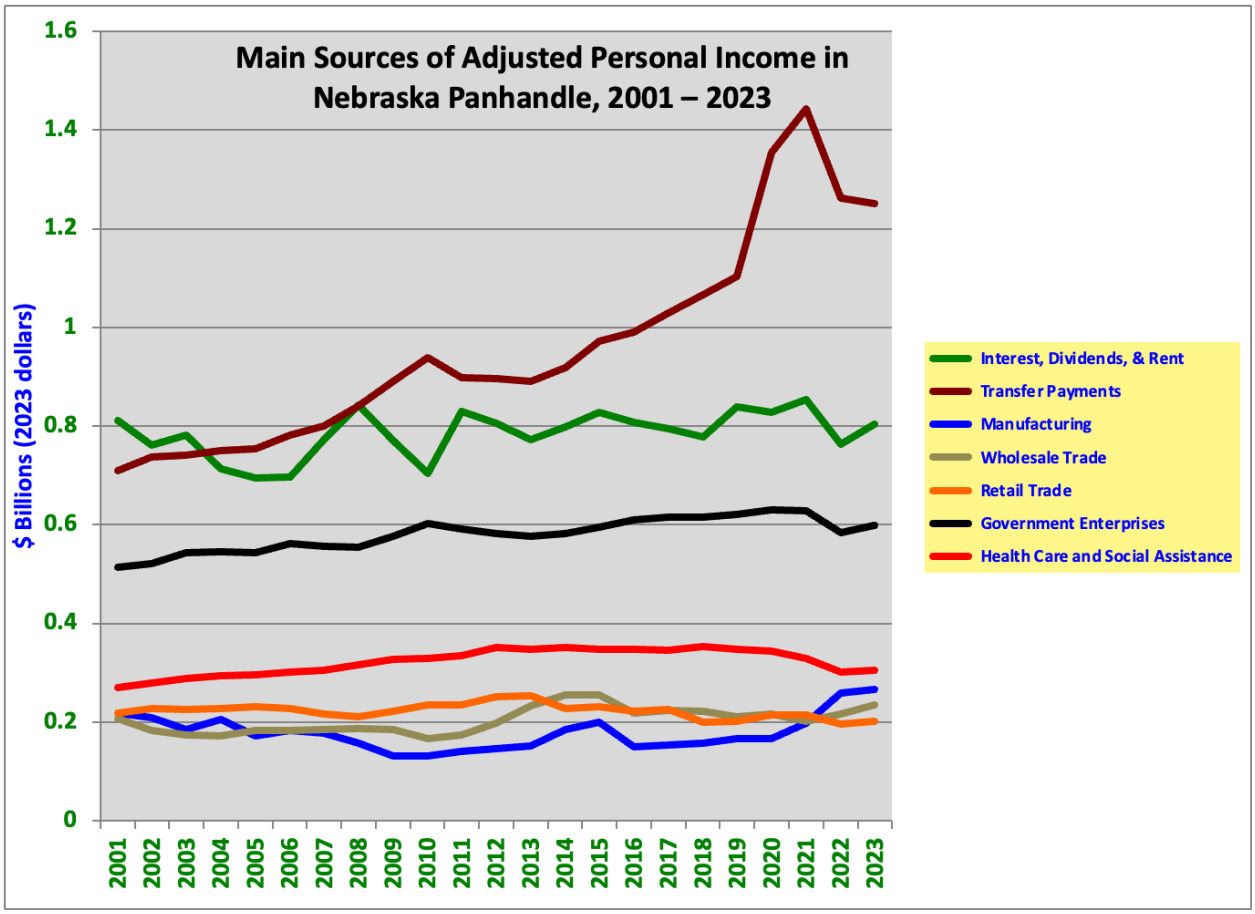
The largest source of personal income is transfer payments (from government programs such as pensions) at $1.2 billion (See Chart 2 below. Capital income (from interest, rent, and dividends) ranked second at $804 million. Government jobs (including educational workers) ranked third at $598 million. Health care workers earned another $306 million, ranking above manufacturing jobs, which accounted for $266 million. Wholesale workers earned $235 million, while retail workers earned $202 million.

Income earned from personal transfer payments includes retirement and disability insurance benefits, medical benefits, income maintenance benefits, unemployment insurance; and veterans' benefits. Unfortunately, the Bureau of Economic Analysis stopped publishing detailed estimates of transfer payment sources for counties and states in September, 2024.

Government income includes $46 million of income earned by federal workers and $541 million earned by state and local government workers. Military personnel earned $11 million of personal income.

Note that income from public sources (government jobs and transfer payments) makes up 38% of all personal income in the region.

Chart 2: Main Sources of Adjusted Personal Income in the Nebraska Panhandle

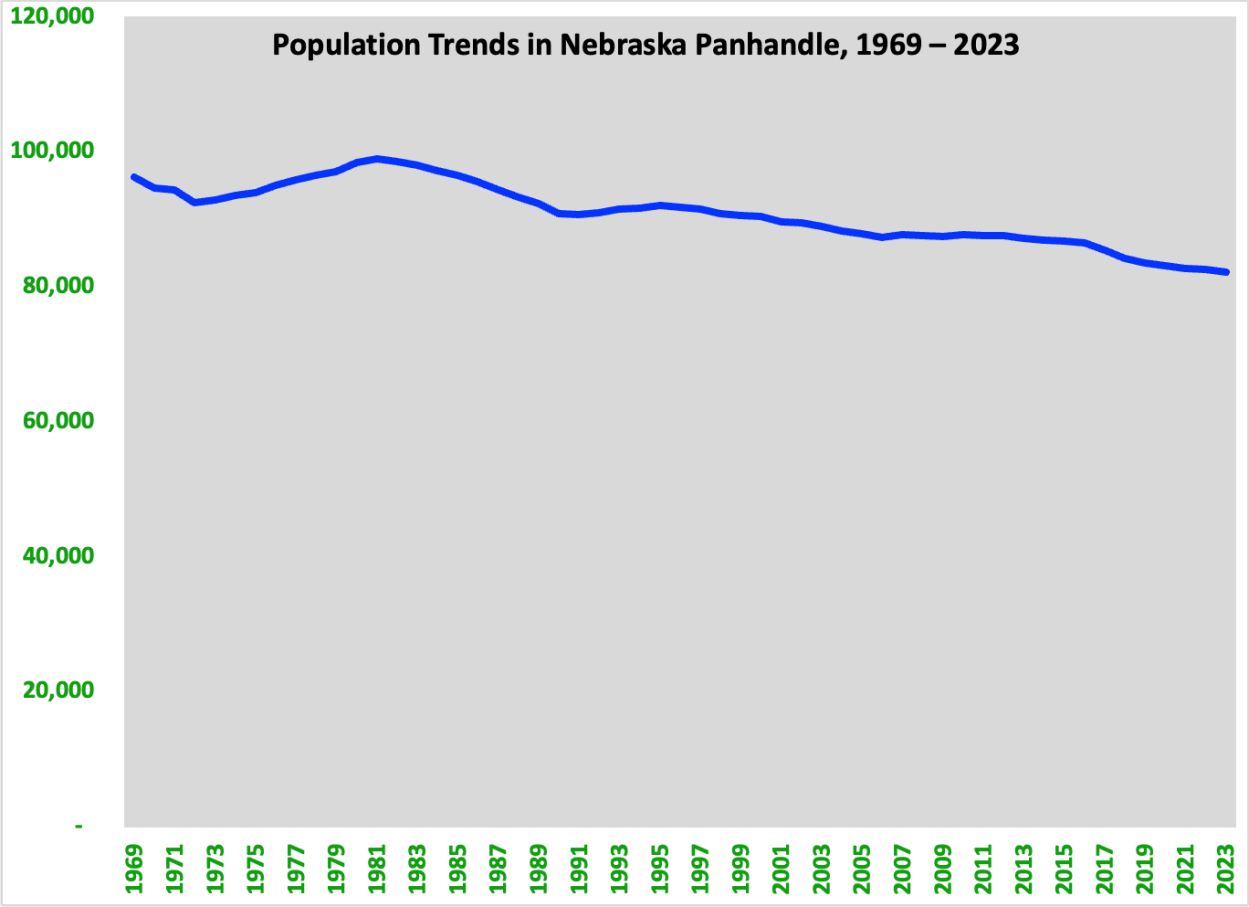


Source: Bureau of Economic Analysis, 2023. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index.

Personal income rose even though the population of the Panhandle region decreased 15% since 1969, as shown on Chart 3. Population peaked in 1981. Although this is an important farming

region, there has been limited public planning to assure that residents have a secure and resilient food supply.

Chart 3: Population Trends in Nebraska Panhandle, 1969 – 2023



Source: Bureau of Economic Analysis, 2023.

Issues Affecting Low-Income Residents of the Nebraska Panhandle region

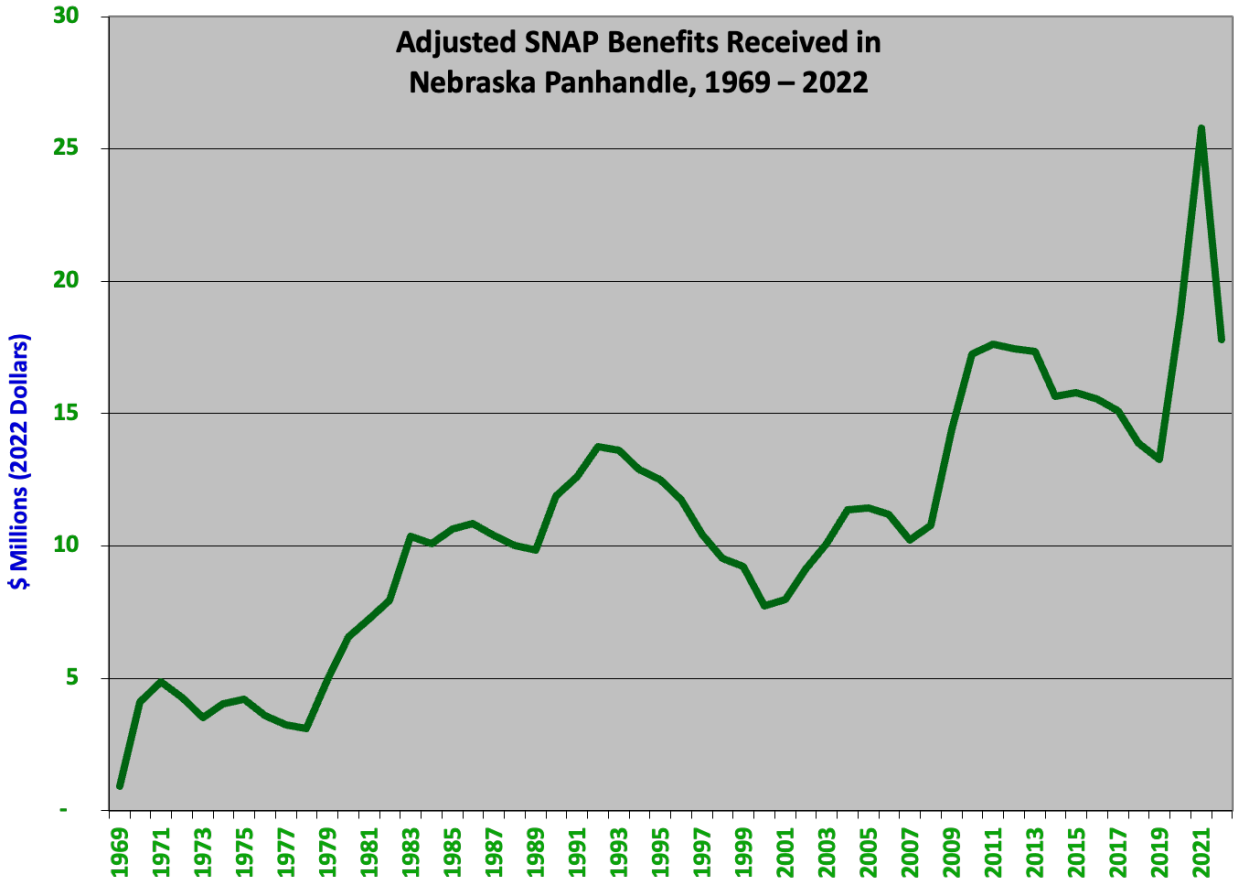
Despite rising income for the region as a whole, more than 24,000 residents (30%) earn less than 185% of federal poverty guidelines. At this level of income, children qualify for free or reduced-price lunch at school under federal programs. This is higher than the poverty rate for the Mid-Plains (29%), Metro Lincoln (25%), or Metro Omaha (21%). *Sources: Federal Census of 2019-2023; USDA NASS Census of Agriculture, 2022.*

5% percent of the region's households (about 4,500 residents) earn less than $10,000 per year. *Source: Federal Census of 2019-2023.*

About 12,000 residents (15%) collected $18 million in SNAP benefits in 2022, down from a pandemic peak of $26 million (See Chart 4). SNAP benefits averaged $13 million for the years 1989–

2022. Additional relief is extended to low-wealth mothers through WIC coupons. *Data from Federal Census of 2019-2023, USDA Census of Agriculture, Bureau of Labor Statistics, & Bureau of Economic Analysis. Note that BEA stopped reporting SNAP receipts by county in September, 2024, so 2022 figures are the most recent data available.*

Chart 4: Adjusted SNAP Benefits Received in Nebraska Panhandle, 1969 – 2022



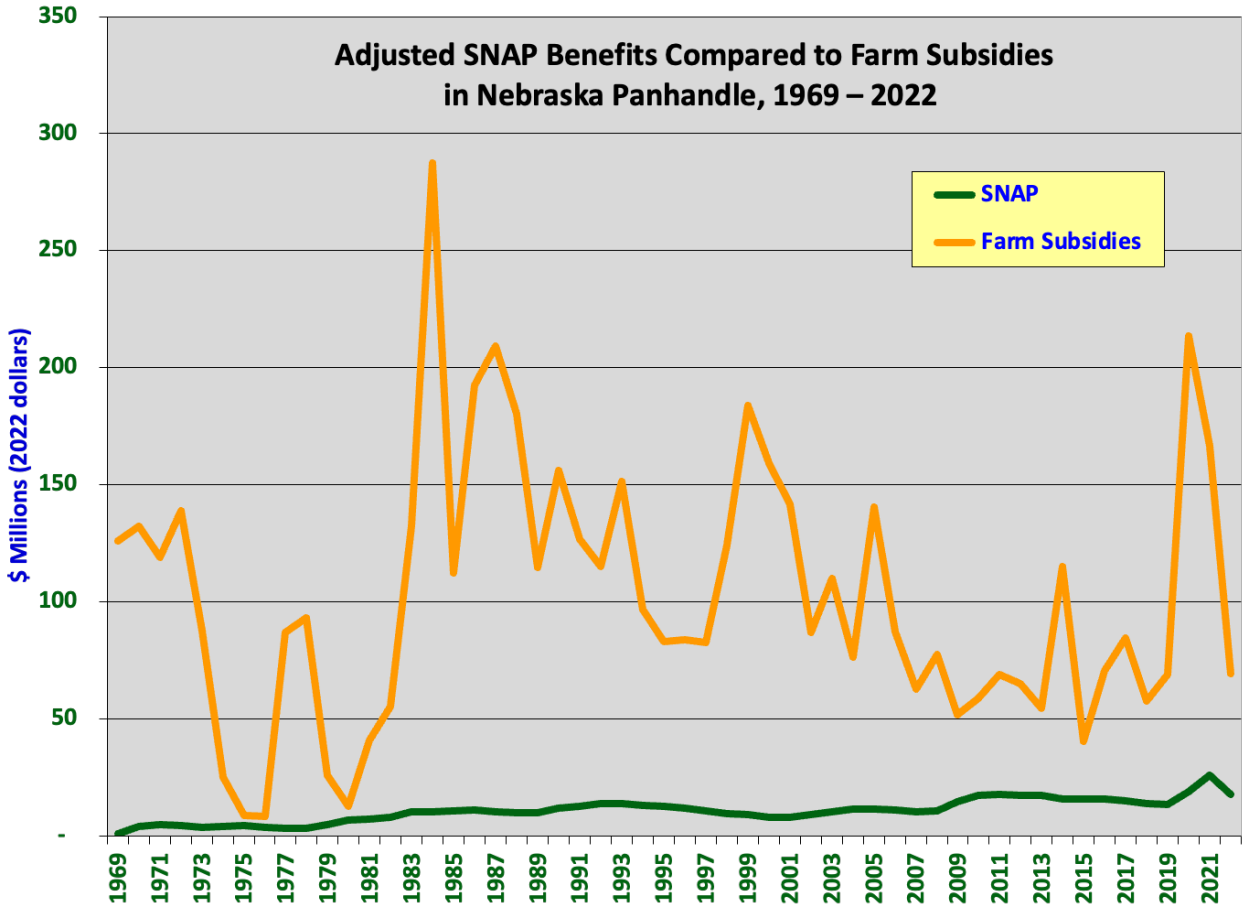
Source: Bureau of Economic Analysis, 2022. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index. SNAP data for 2023 are not available because BEA no longer publishes these reports.

There has been a consistent rise in SNAP receipts since 1969. This raises the question of why a farming region is experiencing such a rise in demand for food relief.

In light of concerns that have been expressed about SNAP benefits, it is useful to compare these benefits to federal subsidies for farmers. 2,760 (59%) of Nebraska Panhandle farmers received a combined total of $69 million in subsidies in 2022, mostly to raise crops such as corn or soybeans that are sold as commodities, not to feed local residents. This is 16% of Nebraska's subsidies, a higher proportion than would be expected since the Nebraska Panhandle has 11% of the state's farms. *Source: USDA NASS Census of Agriculture.*

Bureau of Economic Analysis data covering farm income are no longer reported by the agency, since their publication was discontinued in September, 2024. The most recent BEA data available show that Nebraska Panhandle farmers received $69 million in subsidies in 2022, the same as USDA NASS reported. Average federal subsidies to Nebraska Panhandle farmers were $97 million per year during the years 1989–2022. This is 8 times the amount allocated for SNAP benefits. This comparison is shown on Chart 5.

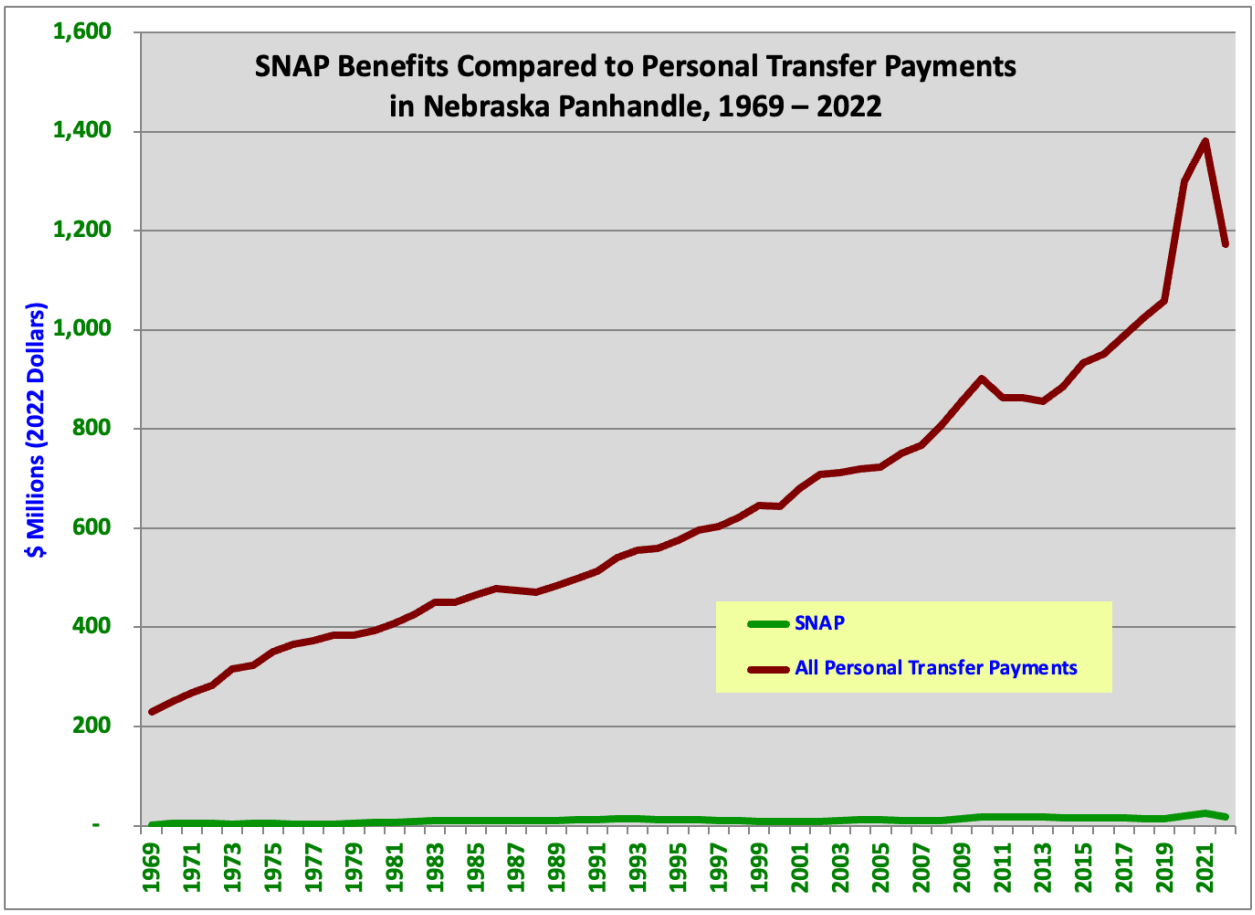
Chart 5: Adjusted SNAP Benefits Compared to Farm Subsidies in Nebraska Panhandle, 1969 – 2022



Source: Bureau of Economic Analysis, 2022. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index. Farm income and SNAP data for 2023 are not available because BEA no longer publishes these data.

It is also useful to compare SNAP benefits to the total of transfer payments received by Nebraska Panhandle residents, as Chart 6 shows. SNAP benefits are included in the total transfer payments depicted on the chart. They are a small amount (1.5%) of transfer payment receipts of $1.2 billion.

Chart 6: Adjusted SNAP Benefits Compared to Personal Transfer Payments in Nebraska Panhandle, 1969 – 2022



Source: Bureau of Economic Analysis, 2022. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index. Transfer payment data for 2023 are not available because BEA no longer publishes these reports.

Although poverty is not the only factor, a considerable proportion of Nebraska residents are at risk because they lack health insurance. No data were reported by CDC covering the counties in the Panhandle region, so we rely upon statewide data to assess this. Statewide, 11% of adults aged 18–64 carried no health insurance in 2023. *Source: Centers for Disease Control. Note that this entire data set was suppressed by CDC in February, 2025 under the current President.*

Food-Related Health Conditions

No specific counts for Nebraska Panhandle counties were reported for the following data in this section, so statewide data are provided here. *Note that this entire data set was suppressed by CDC in February, 2025 under the current President.*

57% of Nebraska residents reported in 2021 that they eat five or more servings of fruit each day. 43% do not. Vegetable consumption was more prevalent, with 79% of Nebraskans reporting that they eat at least one vegetable per day. 21% do not. These are key indicators of health, since proper fruit and vegetable consumption has been connected to better health outcomes. *Source: Centers for Disease Control. Counts for 2021 are the most recent data available.*

28% of Nebraska adults reported in 2023 that they have at least 30 minutes of moderate physical activity five or more days per week, or vigorous physical activity for 20 or more minutes for three or more days per week. 72% do not. *Source: Centers for Disease Control.*

10.8% of Nebraska residents have been diagnosed with diabetes as of 2023. *Source: Centers for Disease Control.* Medical costs for treating diabetes and related conditions in Nebraska were estimated at $1.38 billion per year in 2017, and national costs have increased 26% since then. The most recent data show that direct and indirect medical costs of diabetes total $412.9 billion per year nationally. To show the significance of this cost, it amounts to 76% of the total value of all crops and livestock sold by U.S. farmers in 2022. *Source: American Diabetes Association.* Also Parker *et al* (2024). *Economic Costs of Diabetes in the U.S. in 2022; Diabetes Care 2024; 47:26–43; https://doi.org/10.2337/dci23-0085.*

72% of Nebraska residents were overweight (35%) or obese (37%) in 2023. *Source: Centers for Disease Control.*

Nebraska Panhandle's Farms

Data in this section are drawn from the USDA NASS Census of Agriculture unless otherwise noted. Data for 2022 were released in February, 2024. The Census of Agriculture defines a "farm" as "an operation that produces, or would normally produce and sell, $1,000 or more of agricultural products per year."

Farm Characteristics

- 4,679 farms. This is 11% of Nebraska farms.
- Nebraska Panhandle has 8,748,872 acres of farmland, 20% of Nebraska's total.
- Average size is 1,870 acres, 189% of the state average.
- Estimated market value of an average farm was $2,857,283 in 2022. This is 84% of the Nebraska average.
- 641 (14%) Nebraska Panhandle farms are less than 50 acres in size. *See Table 1.*
- 1,614 (34%) of the region's farms are 1,000 acres or more. *See Table 1.*

Farm Product Sales

- Nebraska Panhandle farms sold $1.9 billion of crops and livestock in 2022, 7% of Nebraska's total.
- Of these sales, $728 million (37%) were crop sales, and $1.2 billion (63%)were livestock. These amounted to 5% and 8% of the state total, respectively, both less than the percentage of the state's farms in the Nebraska Panhandle (11%).
- 1,646 Nebraska Panhandle farms sold less than $10,000 of products in 2022. This was 35% of the region's farms. *See Table 2.*
- 1,656 of the region's farms sold more than $100,000, 35% of the region's farms. *See Table 2*
- 606 (13%) of the region's farms sold more than $500,000 of farm products. These farms sold $1.6 billion of products, totaling 83% of the region's sales.
- 2,760 (59%) of the region's farmers received a combined total of $69 million in subsidies in 2022.
- 46% of Nebraska Panhandle farms reported a net loss to the Census of Agriculture in 2022. This compares with the statewide average of 38%.

Small & Mid-Size Farmers

Definitions of "small and mid-size" farmers vary according to the type of farming. Here is a breakdown of Northeast Nebraska farms by size and sales levels.

Table 1: Farms by Size

Farm Size	Farms	Pct of Region
1–9 Acres	159	3.4%
10–49 Acres	482	10.3%
50–179 Acres	924	19.7%
180–499 Acres	876	18.7%
500–999 Acres	624	13.3%
1,000 Acres or More	1,614	34.5%

Source: USDA NASS Census of Agriculture, 2022.

Table 2: Farms by Sales Range

Sales Range	Farms	Pct of Region
Less than $2,500	1,247	26.7%
$2,500–$4,999	129	2.8%
$5,000–$9,999	270	5.8%
$10,000–$24,999	439	9.4%
$25,000–$49,999	392	8.4%
$50,000–$99,999	546	11.7%
$100,000 or More	1,656	35.4%

Source: USDA NASS Census of Agriculture, 2022.

Farm Production Expenses

The region's farmers spent $1.7 billion to produce crops and livestock in 2022. Detailed expenses are listed below in Table 3. Not surprisingly, since 63% of the region's farm sales were of livestock and related products, the major costs involve purchases of livestock and the feed to nourish them. These two expenses amount to 43% of the total.

Table 3: Farm Production Expenses

	$ Millions
Livestock purchased	433.4
Feed Purchased	330.9
Fertilizers & Conditioners	130.6
Depreciation	124.9
Cash Rents	93.6
Maintenance & Repairs	89.0
Seeds	83.1
Hired Farm Labor	78.5
Chemicals	68.9
Fuels & Oils	64.4
Property Taxes	61.3
Other Expenses	61.1
Interest Expense	53.9
Utilities	38.7
Custom Work	30.4
Medical Supplies	23.5
Contract Labor	10.4
Equipment Rental	8.4

Note that this list does not add up to the total value of farm expenses listed above. It totals about $53 million more. This is in part because Depreciation is not included in the USDA total. Source: USDA NASS Census of Agriculture, 2022.

Major Crops and Livestock

As Table 4 shows, Nebraska Panhandle crop farmers primarily grow wheat, corn, forage, dry edible beans, sunflower seeds, and sugar beets..

Table 4: Top Crops Produced on Nebraska Panhandle Farms, 2022

	Farms	Acres
Wheat	1,027	463,639
Corn for Grain	1,020	444,546
Forage	1,620	397,085
Dry Edible Beans	294	75,263
Sunflower Seed	134	43,358
Sorghum	145	36,025
Sugar Beets	129	33,993
Soybeans	62	10,259
Oats	63	6,956

Source: USDA NASS Census of Agriculture, 2022.

Cattle and Hogs were the principal livestock raised, as Table 5 shows. *Note, however, that Broiler sales were suppressed for 3 counties.*

Table 5: Major Livestock Inventories and Number Sold

Livestock	Farms	Inventory	Animals Sold
Cattle & Calves	1,895	792,743	760,681
Hogs & Pigs	47	58,201	115,426
Layers	82	6,247	N / A
Sheep & Lambs	367	6,963	N / A
Broilers	16	N / A	460

Source: USDA NASS Census of Agriculture, 2022.

The same crops and livestock, of course, account for most farm product sales, as Table 6 and Chart 7 show.

Table 6: Nebraska Panhandle's Top Farm Products in 2022

Note: Considerable data have been suppressed for several of the counties in the Panhandle, as USDA attempts to protect the confidentiality of individual farms. This is especially true for poultry and egg sales. This means that totals cannot be comprehensively reported for the region. The data in the Table 6 and the pie chart below represent ***minimum*** *values.*

See also Chart 7 on next page.

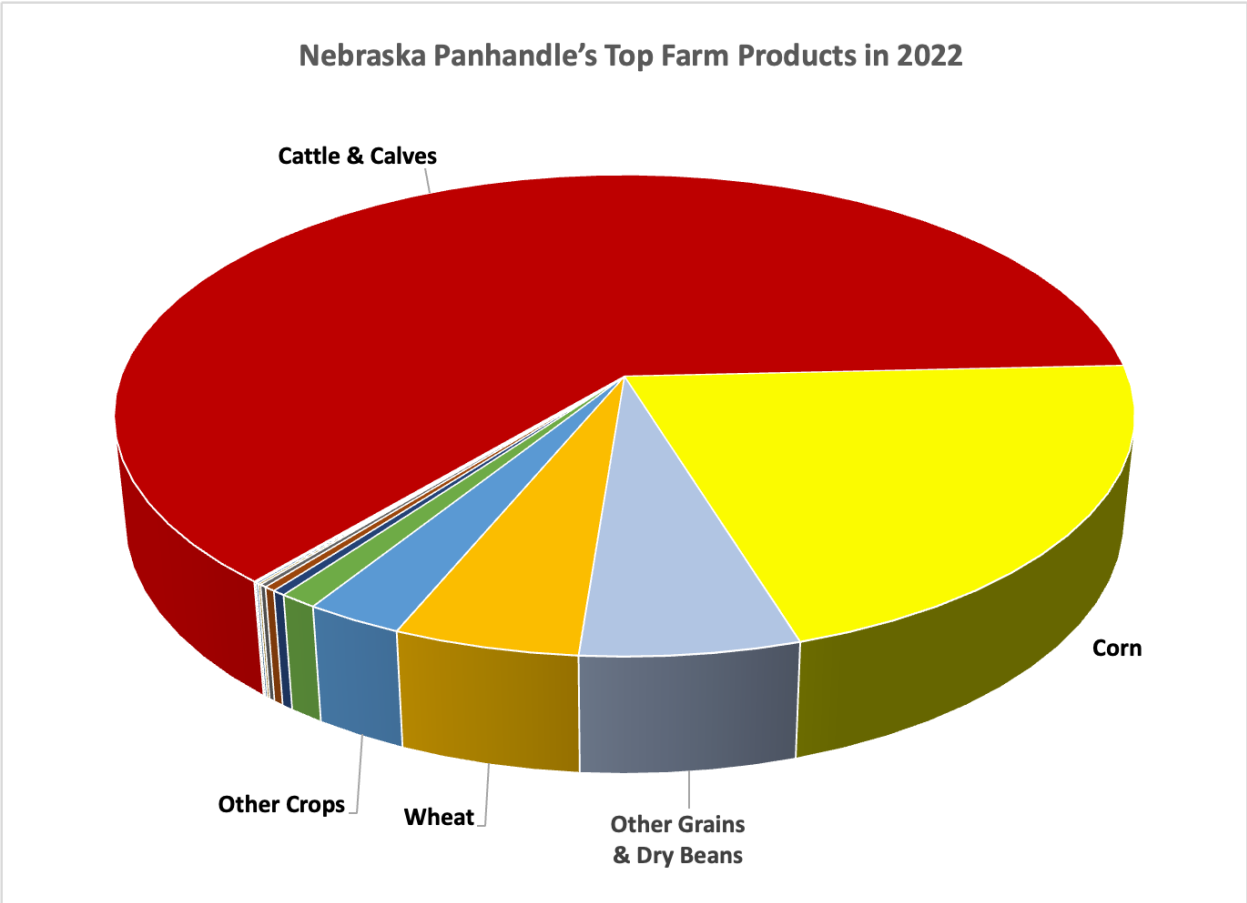
	Farms	$ Millions
Cattle & Calves	1,872	1,115.9
Corn	1,083	370.8
Other Grains & Dry Beans	697	105.5
Wheat	1,027	89.3
Other Crops	1,039	47.2
Hogs & Pigs	46	18.4
Soybeans	62	6.4
Sorghum	153	5.7
Horses & Ponies	188	3.4
Nursery & Greenhouse	18	1.5
Sheep & Goats	151	1.5
Other Livestock	63	1.2
Vegetables & Potatoes	35	0.1
Poultry & Eggs	184	0.1
Fruits, Nuts, & Berries	16	0.02

Note that at $1.9 million, direct sales from farmers to household consumers, retail stores, institutions and food hubs as well as value-added products amount to more than the value of the 10th-ranking product, Nursery & Greenhouse, but less than the value of Horses & Ponies. *See details below.* Of course, many of these direct sales are also included in the totals listed above (for example, meat, vegetable, and fruit sales). Organic product sales, at $6 million, rivaled the soybean and sorghum crops in value.

Source: USDA NASS Census of Agriculture, 2022.

Chart 7: Nebraska Panhandle's Top Farm Products in 2022

Data from Table 6 on previous page. Note that this data set is incomplete due to data suppression.



Source: USDA NASS Census of Agriculture, 2022.

Foods Raised More Directly for Household Consumption

Direct Sales

Table 7: Direct Sales to Households & Institutions

	Farms 2022	Sales $ 2022	Farms 2017	Sales $ 2017
Direct to Households	97	491,000	116	652,000
Direct to Retail & Institutions	31	352,000	22	131,000
Value-Added Products	36	1,089,000	36	208,000

*Source: USDA NASS Census of Agriculture, 2022. Note once again that due to data suppression in 8 counties, neither comprehensive findings nor reliable trends can be reported. The numbers in the table above and narrative below are **minimum** values, and sales trends are uncertain.*

97 (2.1%) of Nebraska Panhandle farms sold $491,000 of farm products directly to household consumers in 2022. This was 19 (16%) fewer farms than sold direct five years before.

31 (0.7%) farms sold $352,000 of products directly to retailers, institutions, and food hubs.

36 (0.8%) farms sold $1.1 million of value-added products in 2022.

Vegetables, Potatoes, & Orchards

The Panhandle region has only 35 farms that raise 20 acres of vegetables. 14 farms raise 6 acres of potatoes, and 15 farms maintain orchards totaling 6 acres. Most of this production was located in Scotts Bluff County. *Considerable data was suppressed, however, so these figures should be considered **minimum** values.*

Table 8: Vegetables, Potatoes, & Orchards on Nebraska Panhandle Farms

Crop	Farms	Acres
Vegetables	35	20
Potatoes	14	6
Orchards	15	6

Source: USDA NASS Census of Agriculture, 2022.

***Note:** Once again, it should be kept in mind that data from the Panhandle region was suppressed in 6 counties. Most of the vegetable and fruit production shown in Table 8 came from Scotts Bluff County, presumably because of local consumer demand. Actual totals could be considerably higher than what is shown here.*

Organic Food Sales

Although sales data were suppressed by USDA for 4 counties, at minimum 50 Nebraska Panhandle farms reported selling at least $6 million of organic products. Sales were strongest in Banner and Kimball Counties.

Source: USDA NASS Census of Agriculture, 2022.

Farm Operator Characteristics

Race & Ethnicity

Nebraska Panhandle's farm operators are predominantly White, as Table 9 shows. Note that Hispanic (or Latino) identity is an ethnicity, not a race.

Table 9: Farm Operators by Race & Ethnicity

Producers by Race	Number	Percent
American Indian or Alaska Native	18	0.2%
Asian	24	0.3%
Black or African-American	-	0.0%
Native Hawaiian or Pacific Islander	-	0.0%
White	8,471	99.2%
More than One Race	30	0.4%
Hispanic or Latino Ethnicity	184	2.2%

Source: USDA NASS Census of Agriculture, 2022.

Female Producers

Female producers are very important to Nebraska Panhandle's farm community. 2,742 farms (59%) have female producers. These women manage, or co-manage, 52% of the region's farm acreage.

Table 10: Female Producers

Farms	Female Producers	Acreage
2,742	3,149	4,527,021

Source: USDA NASS Census of Agriculture, 2022.

Young Producers

Nebraska Panhandle has 759 young producers. This is 8% of the young producers in the state. USDA defines "young producers" as those who are 34 years old or younger.

Table 11: Young Producers

Young Producers	Percent of Nebraska
759	8%

Source: USDA NASS Census of Agriculture, 2022.

Active Military or Veteran Producers

Nebraska Panhandle hosts 696 veteran or active military farmers. This is 12% of the state's farms having veterans or active military farmers.

Table 12: Active Military or Veteran Producers

Military/Veterans	Percent of Nebraska
696	12%

Source: USDA NASS Census of Agriculture, 2022.

Farm Ownership

Most (90%) Nebraska Panhandle farms, and 86% of the farm acreage, are owned by families or family corporations.

Table 13: Farm Ownership

Type of Ownership	Farms	Acres
Family or Individual	3,679	4,036,718
Partnership	351	812,650
Corporation (Family)	518	1,408,549
Corporation (Other)	38	34,281
Estate, Trust, Prison, Association, or Native Reservation, etc.	93	57,886

Source: USDA NASS Census of Agriculture, 2022.

Conservation Practices

As Table 14 shows, Nebraska Panhandle Farms were far more likely to rely upon Bureau of Reclamation Irrigation water than farmers in the rest of the state, with 44% of the region's farms drawing upon this irrigation source. Fewer farms practiced special cropping techniques, except that rotational grazing was largely in line with the region's share of Nebraska farms (11%).

Table 14: Farms Adopting Conservation Practices in Nebraska Panhandle, 2022

	Farms	Pct of Nebraska
Used Bureau of Reclamation Irrigation	437	44%
Practiced Alley Cropping, Silvopasturing, or Riparian Buffers	29	8%
Harvested Biomass for Renewable Energy	14	6%
Practiced Rotational Grazing or Intensive Management	713	13%
Had On-farm Packing Facility	6	7%

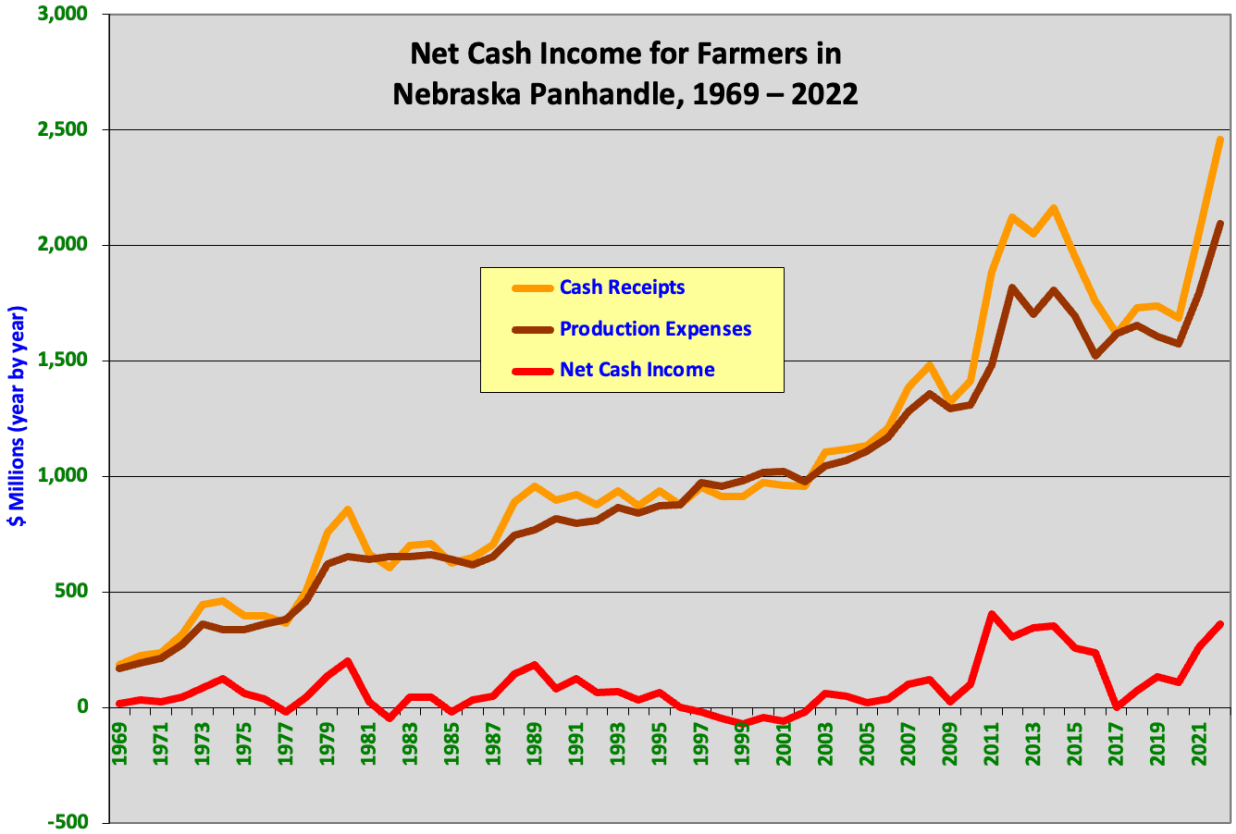
Source: USDA NASS Census of Agriculture, 2022.

Farm Income in Nebraska Panhandle

Net Cash Income

The following section considers the Net Cash Income received by Nebraska Panhandle farmers. Net Cash Income is a measure of the returns farmers earn from the act of producing crops and livestock. It is calculated by subtracting Production Expenses (maroon line on the following charts) from Cash Receipts (orange line). This is a different measure than "Net Income," which typically includes other sources of income such as federal subsidies and cash rental income. In our experience Net Cash Income is a more nuanced measure of the state of the regional food and farm economy. Net Cash Income is shown below with a red line.

Chart 8: Net Cash Income For Farmers in Nebraska Panhandle, 1969 – 2022



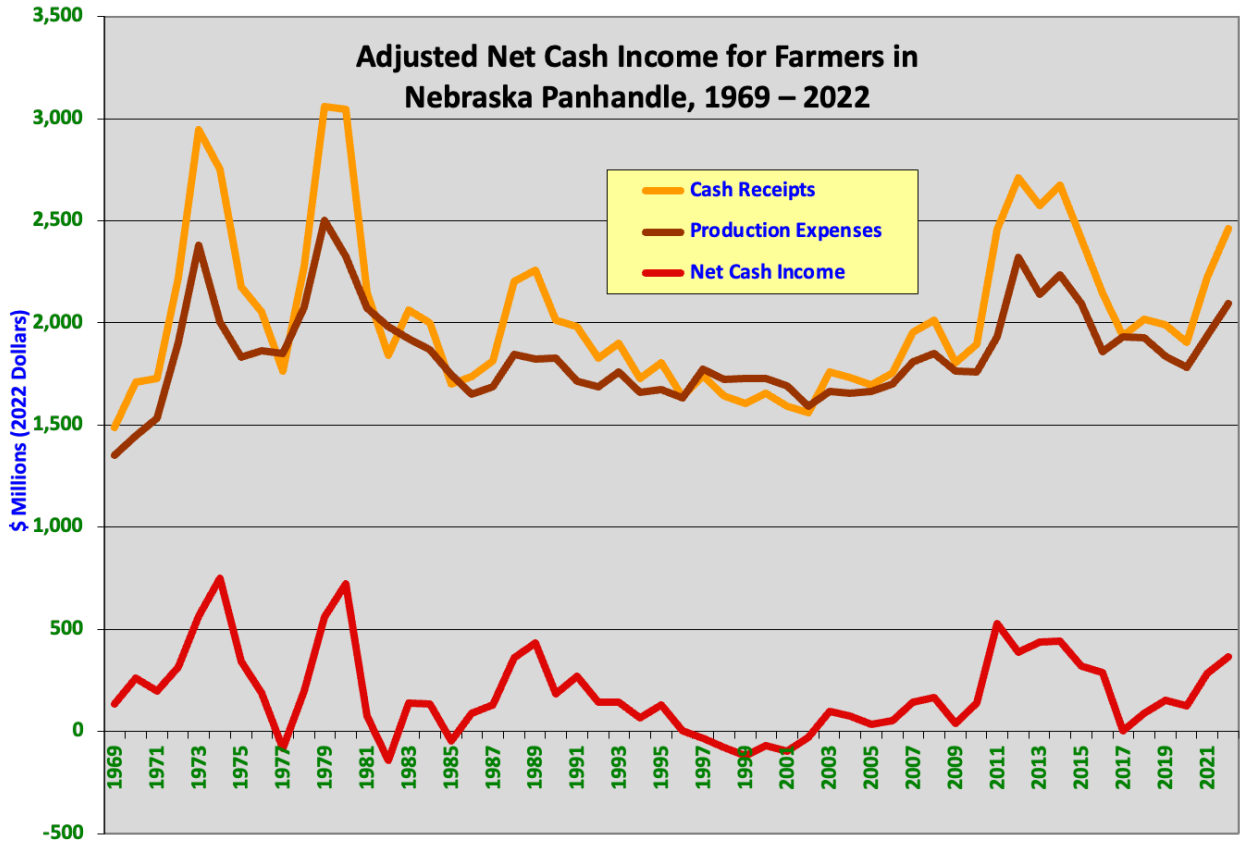
Source: Bureau of Economic Analysis, 2022. Note that these data are no longer reported by BEA; 2023 data are not available.

Chart 8 shows that Nebraska Panhandle farmers have increased sales significantly over the past 54 years, from $186 million in 1969 to $2.5 billion in 2022. That is a 13-fold increase, and signifies tremendous gains in revenue. *Note that BEA no longer reports farm income data, so no 2023 data are available. Note also, that these data differ slightly from those reported by USDA NASS Census of Agriculture, shown above.*

Unfortunately, the chart also shows that production expenses have risen in concert with cash receipts. From 1969 to 2010, then, the net cash income earned by farmers held fairly steady at low levels. In 9 of those 42 years, net cash income fell below zero for the entire Nebraska Panhandle farm sector. Something dramatic happened in 2011to increase margins, but these data do not tell us what that change was. Moreover, even after that peak, net cash income fell close to zero again in 2017. It has since risen to a surplus of $364 million in 2022. Thus, profitability for the farm sector is uncertain. It would be difficult to conclude that merely increasing sales means increased margins.

However, it is also important to take inflation into account when examining these results. Chart 9 does just that, taking the very same data set and adjusting for the rise in the cost of living by expressing all values in 2022 dollars. Once this adjustment has been made, very different patterns emerge.

Chart 9: Adjusted Net Cash Income For Farmers in Nebraska Panhandle, 1969 – 2022



Source: Bureau of Economic Analysis, 2022. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index. Note that these data are no longer reported by BEA; 2023 data are not available.

Once adjusted for inflation, the growth in sales is not nearly so dramatic. In fact, it could be argued that cash receipts have been flat for 54 years, but also remarkably variable. Although the value of cash receipts earned by the region's farmers rose from $1.5 billion in 1969 to $2.5 billion in 2022 dollars, it would be equally valid to state that cash receipts stayed close to their average of $2.0 billion through the entire period, but suffered extreme uncertainty..

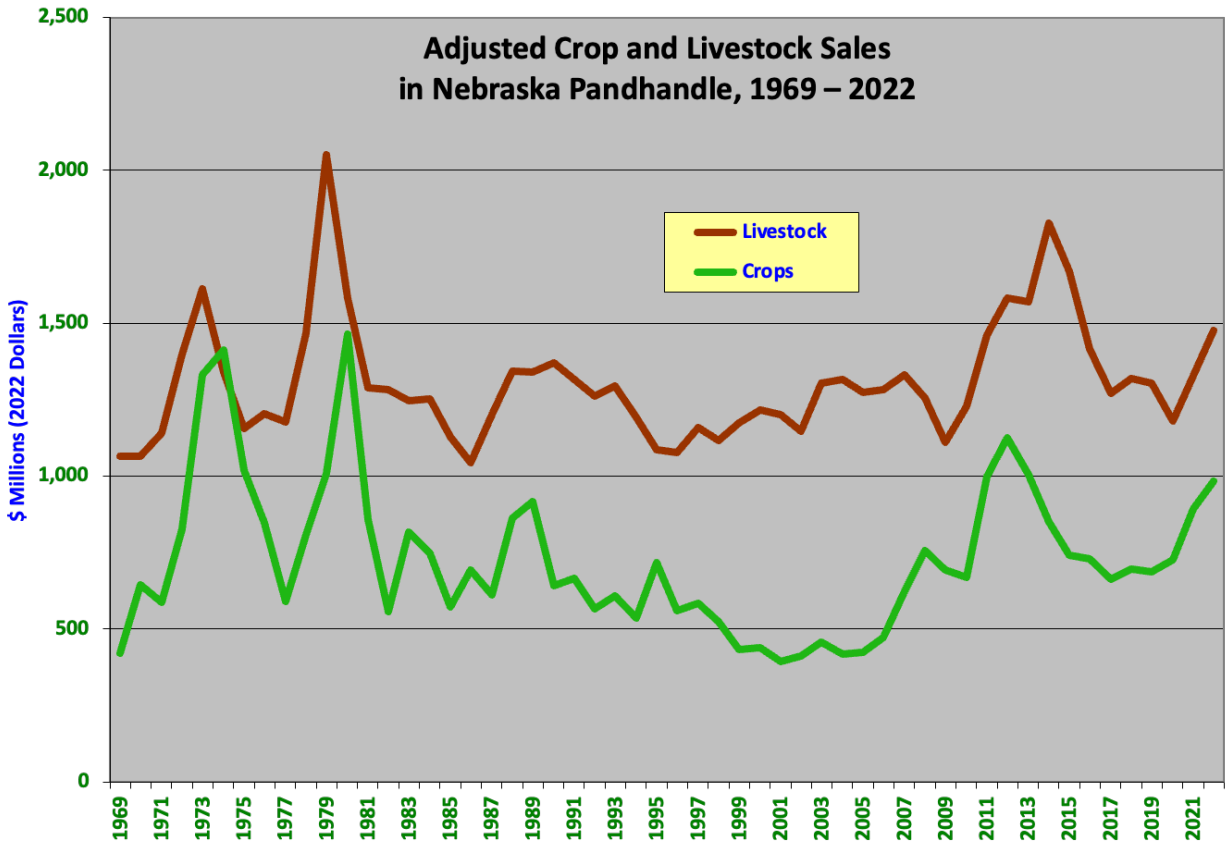
Net cash income held fairly steady across this 54-year period, even falling below zero in 9 years. Peak income of $748 million was realized in 1974, during the OPEC energy crisis, when US farmers enjoyed rising prices for a couple of years. These years of peak prosperity, however, are always short-lived.

To assess the strength of the farm sector, it is useful to calculate returns since 1989, after the upheavals of the Farm Credit Crisis of the 1980s had settled down. Over those 34 years, Nebraska Panhandle farmers averaged a net cash income of $150 million, despite margins falling to near zero in 2017. On average, the region's farmers sold $1.97 billion of products, spending $1.82 billion to raise them. This resulted in an aggregate surplus of $5 billion over those 34 years; a significant contribution to the regional economy.

However, with the terms of trade for the agricultural sector being so uncertain, this leaves open the question of how much more money farmers might have been made if prices were more rewarding and if farmers raised more of their own inputs.

The next chart, Chart 10, offers a glimpse into what prompted the more prosperous year in 2011. Sales of both crops and livestock rose simultaneously beginning in 2010. But sales of both still fell below peak levels of 1980 and 1979. Once again, sales of both crops and livestock were fairly level across the span of this chart. Sales of livestock were stronger for a longer period than crops, peaking in 2014 then slipping again. *This chart is also expressed in inflation-adjusted dollars.*

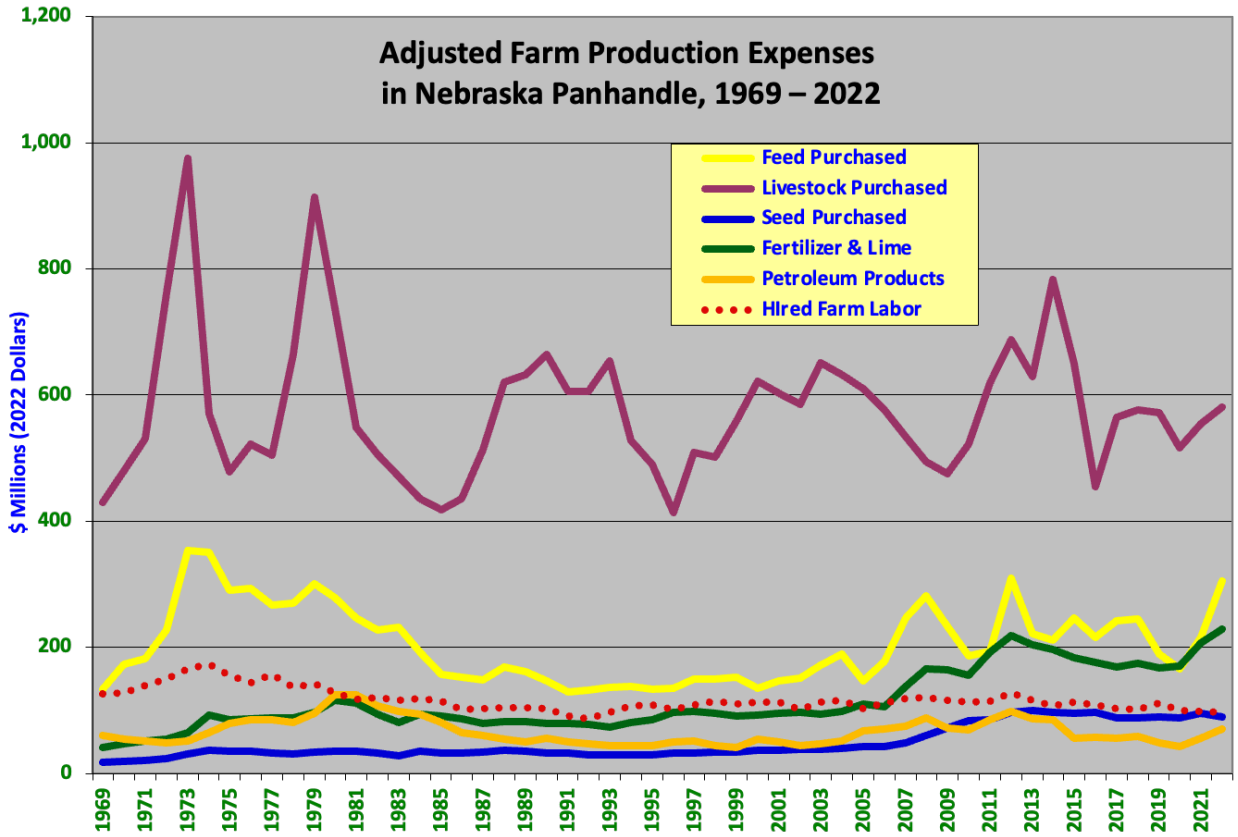
Chart 10: Adjusted Crop and Livestock Sales in Nebraska Panhandle, 1969–2022



Source: Bureau of Economic Analysis, 2022. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index. Note that these data are no longer reported by BEA; 2023 data are not available.

A still more complete picture emerges once we consider the costs of production. It is unlikely that production expenses would vary in actual cost as frequently as this chart shows. This suggests that production expenses are being arbitraged by suppliers who raise prices when farm gate prices improve. Despite these fluctuations, livestock purchases held at pretty much the same level for 54 years. Costs for feed and fertilizer have risen steadily since the mid-1990s, but feed costs are lower today than they were during the OPEC Energy Crisis. Seed costs have increased. Labor costs have actually decreased, as have fuel and oil costs. *Once again, these have been adjusted for inflation.*

Chart 11: Adjusted Farm Production Expenses in Nebraska Panhandle, 1969 – 2022



Source: Bureau of Economic Analysis, 2022. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index. Note that these data are no longer reported by BEA; 2023 data are not available.

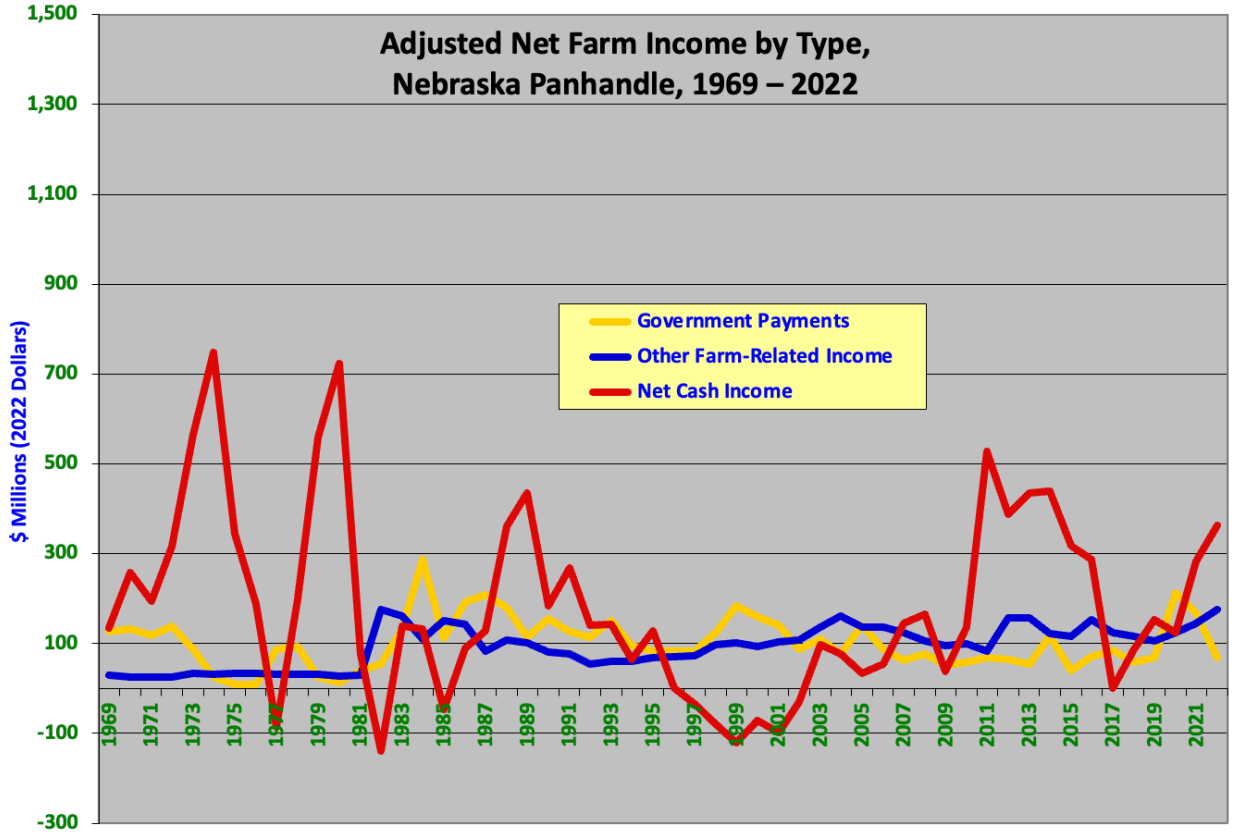
From the perspective of farm laborers, however, steady labor costs means that labor is largely not benefitting from the increased sales farmers have enjoyed. From the perspective of the region as a whole, many of the rising costs are expenses for purchasing inputs sourced outside of the region, sending perhaps as much as one billion dollars out of the Nebraska Panhandle annually.

Finally, it is useful to consider all forms of net income enjoyed by Nebraska Panhandle farmers. These are shown on Chart 12. This chart shows that net cash income brings the greatest overall returns (an average of $150 million), but with considerable uncertainty.

The second most important source of income is farm-related income, which largely is cash rents for renting farmland to a tenant farmer or performing custom field work. This has held at a fairly steady average of $110 million per year, with a noticeable bump upward in 1992. That suggests that when landowners saw that farmgate prices were high they charged their tenants higher rents. Not only are cash rents the most stable form of net income, they reach 73% of the net cash income. For many landowners, it makes more sense to rent out land than to farm it, displacing the risks of farming onto someone else.

Federal subsidies are less important, often filling in when economic cycles are not favorable. Nonetheless, they still amount to two-thirds of net cash income, averaging $101 million per year for the years 1989 to 2022. The chart also shows that government payments surpassed net cash income in 15 of the past 34 years.

Chart 12: Adjusted Net Farm Income by Type, Nebraska Panhandle, 1969–2022



Source: Bureau of Economic Analysis, 2022. Adjusted for inflation using the Minneapolis Federal Reserve Consumer Price Index. Note that these data are no longer reported by BEA; 2023 data are not available.

Farm & Food Economy Summary

Missing Data

For two decades, Crossroads Resource Center has produced studies of local farm and food economies that centered around the comprehensive and potent data bases compiled by the Bureau of Economic Analysis to assist community planning efforts. Unfortunately, the agency announced in September, 2024, that it was terminating publication of two critical data sets. These missing data covered both farm income and transfer payments. They have been reported for each county and

state in the U.S., and made available through an exceptionally user-friendly web platform. BEA cited budgetary constraints in its announcement that these data would no longer be published.

This removes a powerful way for Americans to learn about the realities of rural economies, most of which are both based on farm production, and heavily reliant upon transfer payments.

The agency still offers archived data for the time period 1969–2022. This is most recent available data. Future policy discussions will be hampered by the lack of updated tallies. Having access to detailed estimates of farm income and transfer payments can be very important to creating a civil discourse that is based upon solid data, rather than conjecture.

We have found BEA data to be more valuable than many other data sets that are available, for several reasons: (1) No other data sets drilled down to provide robust estimates for each county in the nation, making it easy to identify long-term trends that have evolved over more than 50 years. (2) Because data were collected to strengthen local economic development planning, they were more balanced than specific data sets reported by agencies that have more specialized interests centered upon their professional focus. (3) It was extremely easy to use.

Nebraska Panhandle Summary

4,679 Nebraska Panhandle farmers sell an average of 1.97 billion of food commodities per year (1989–2022 average), spending $1.82 billion to raise them, for an average gain of $150 million each year. This is an average net cash income of $32,000 per farm. *Note that these sales figures compiled by the BEA may differ from cash receipts recorded by the USDA Agriculture Census (above).*

Overall, farm producers earned a surplus of $5 billion by selling crops and livestock over the years 1989–2022. Yet farm production costs exceeded cash receipts for 6 years of that 34-year period. Moreover, 46% of the region's farms reported net losses in 2022.

Farmers and ranchers earn another $110 million per year of farm-related income — primarily custom field work and land rental income (34-year average for 1989–2022). Federal farm support payments are a complementary source of net income, averaging $101 million per year for the region for the same years. This is 67% the value of net cash income.

Many of the farm inputs farmers purchased (for example, tractors, combines, fuel, chemicals, etc.) were sourced outside of the region. This created a significant cash flow (perhaps $1 billion or more) away from the region. This is difficult to measure precisely.

The region's farmers spend more feeding livestock ($331 million) than would be required to feed the entire Nebraska Panhandle population for a year ($301 million). Indeed, there are 9 times as many cattle living in the Nebraska Panhandle as people. Massive infrastructure has been constructed to ensure that these animals are fed, but similar infrastructure is lacking for conveying healthy food from local farms to Nebraska Panhandle residents.

Nebraska Panhandle Consumers

See also information covering low-income food consumption and food-related health conditions, page 1-2 above.

82,279 Nebraska Panhandle consumers spend $301 million buying food each year, including $190 million for home use. At least 90% of this food is produced outside the region, so consumers spend more than $270 million per year buying food sourced outside the Nebraska Panhandle. This is considerably more than the net cash income that farmers earn. Only $491,000 of food products (0.02% of farm cash receipts and 0.16% of the region's consumer market) are sold by farmers directly to household consumers.

Farm and Food Economy Summary

Farmers earn $150 million each year producing food commodities, while spending more than $1 billion buying inputs sourced outside of the region. Even when farmers make money, these input purchases result in substantial losses to the region as a whole.

Meanwhile, consumers spend $270 million buying food sourced outside the region. If each Nebraska Panhandle resident purchased (or had purchased for them) $5 of food each week directly from some farm in the region, this would generate $21 million of new farm income for the region. This would amount to a small increment to farm cash receipts, but would create social and economic connections between farmers and consumers.

Household Food Consumption

Household consumption estimates are compiled using Bureau of Labor Statistics Consumer Expenditure Survey data.

Nebraska Panhandle

Table 15: Nebraska Panhandle Markets for Food Eaten at Home (2023)

82,279 Nebraska Panhandle residents purchase $301 million of food each year, including $190 million to eat at home. Home purchases break down in the following way:

	$ Millions
Meats, Poultry, Fish, & Eggs	39
Fruits & Vegetables	36
Cereals & Bakery Products	24
Dairy Products	18
"Other," incl. Sweets, Fats, & Oils	73

If Nebraska Panhandle residents purchased (or had purchased for them) $5 of food for home use directly from farmers in the region, this would generate $21 million of new farm income for the Nebraska Panhandle.

The prevailing food system infrastructure is far more efficient at routing food to metro areas than to Nebraska Panhandle residents. The market for food in the region is only 3% of the Metro Denver market, as Table 16 shows.

Denver Metro

Table 16: Denver Metro Markets for Food Eaten at Home (2023)

2,963,821 Denver Metro residents purchase $10.8 billion of food each year, including $6.8 billion to eat at home. Home purchases break down in the following way:

	$ Millions
Meats, Poultry, Fish, & Eggs	1,412
Fruits & Vegetables	1,279
Cereals & Bakery Products	864
Dairy Products	643
"Other," incl. Sweets, Fats, & Oils	2,639

State of Nebraska

Table 17: State of Nebraska Markets for Food Eaten at Home (2023)

1,978,379 Nebraska residents purchase $7.2 billion of food each year, including $4.6 billion to eat at home. Home purchases break down in the following way:

	$ Millions
Meats, Poultry, Fish, & Eggs	942
Fruits & Vegetables	854
Cereals & Bakery Products	577
Dairy Products	429
"Other," incl. Sweets, Fats, & Oils	1,760

If Nebraska residents purchased (or had purchased for them) $5 of food for home use directly from farmers in the region, this would generate $514 million of new farm income for the state.

Key Data Sources

Bureau of Economic Analysis data covering regional personal income
https://apps.bea.gov/itable/?ReqID=70&step=1

Food consumption estimates from Bureau of Labor Statistics Consumer Expenditure Survey
http://www.bls.gov/cex/home.htm

USDA NASS Census of Agriculture
http://www.nass.usda.gov/census/

USDA/Economic Research Service food consumption data:
http://ers.usda.gov/Data/

USDA/ Economic Research Service farm income data:
http://ers.usda.gov/Data/

U.S. Centers for Disease Control and Prevention — Behavioral Risk Factor Surveillance Survey. https://www.cdc.gov/brfss/data_tools.htm

For more information:

To see results from *Finding Food in Farm Country* studies in other regions of the U.S.:
http://www.crcworks.org/?submit=fffc

To read the original *Finding Food in Farm Country* study from Southeast Minnesota (written for the Experiment in Rural Cooperation in 2001): http://www.crcworks.org/ff.pdf

A more detailed summary is available for the State of Nebraska: "Nebraska Farm & Food Economy Data Compilation" by Ken Meter for Center for Rural Affairs (June, 2024).
http://www.crcworks.org/nebfood24.pdf

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All CRC studies are posted at http://www.crcworks.org/

USDA Heartland Regional Food Business Center, Center for Rural Affairs, & Crossroads Resource Center are equal opportunity providers. https://heartlandfoodbusiness.org/usda-non-discrimination-statement/