
USDA's Farm Service Agency Helps Farmers and Ranchers Tackle Challenges

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WASHINGTON, Feb. 6, 2023 – Under the Biden-Harris administration, the U.S. Department of Agriculture (USDA) has worked to assist distressed borrowers, improve land access for underserved producers and provide disaster assistance and relief for producers impacted by natural disasters. USDA's Farm Service Agency (FSA) also gave producers and landowners tools to help with climate-smart land management and made great strides in supporting USDA's priorities of improving equity in program delivery and helping producers rebound and recover after natural disasters, the pandemic, and other challenges in the past two years.

“Although we are always considering ways to improve our programs and looking for growth opportunities, I am extremely proud of the extra effort and ingenuity our employees have put forth over the past couple of years – exceptionally difficult years defined by an economic-crippling pandemic and catastrophic natural disasters – to ensure agricultural producers received the quality service they have come to expect and deserve from FSA,” said FSA Administrator Zach Ducheneaux. “For 2023, FSA remains committed to continually evaluating how we can deliver our programs in a manner that is meaningful to the farmers and ranchers we serve and demonstrates our ongoing dedication to improving customer service and enhancing equity in program delivery.”

Key highlights from the past two years include:

- In 2022, [FSA provided nearly \\$800 million in assistance](#) to distressed borrowers with direct and guaranteed loans to help cure delinquencies and resolve uncollectable farm loan debts. Section 22006 of the Inflation Reduction Act provided \$3.1 billion for USDA to deliver this relief for distressed borrowers and to expedite assistance for those whose agricultural operations are at financial risk. FSA is currently working with borrowers to address complex cases and help producers with cashflow challenges. In 2023, additional opportunities for financially distressed borrowers to receive payments will begin. FSA will start by contacting direct borrowers, or a guaranteed borrower's lender, to validate payment amounts.

- The Increasing Land, Capital, and Market Access Program invests [up to \\$300 million in funding](#) to support projects that enabled underserved producers to access land, capital and markets. Land access is critical to the success of agriculture. Underserved producers have not received the amount of specialized technical support that would benefit the launch, growth, resilience and success of their agricultural enterprises. USDA accepted applications for the program through Nov. 18, 2022 and anticipates announcing selections in 2023.
- In 2022, USDA [launched the Loan Assistance Tool](#) to help farmers and ranchers better navigate the farm loan application process. FSA experiences a high rate of incomplete or withdrawn applications, particularly among underserved customers, due in part to a challenging and lengthy paper-based application process. This uniform application process helps to ensure all farm loan applicants receive equal support and have a consistent customer experience with FSA regardless of their individual circumstances. Access the Loan Assistance Tool at farmers.gov/farm-loan-assistance-tool.
- FSA administers several programs designed to help agricultural producers recover from the impacts of natural disasters including drought, winter storms, hurricanes and more. Over the past two years, FSA has paid more than \$3.5 billion through these disaster programs and has made several policy enhancements to better meet the recovery needs of producers who have suffered significant production and physical losses on their operations. FSA expanded the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program to provide program benefits to producers of fish raised for food and other aquaculture species as well as cover above normal expenses for transporting livestock to forage and grazing acres and to transport feed to livestock impacted by qualifying drought. FSA also updated the Livestock Indemnity Program payment rates to better reflect true market value of non-adult beef, beefalo, bison and dairy animals. In the wake of devastating tornadoes and derechos in 2021, FSA designed a new program to deliver direct assistance to producers who lost critical grain storage facilities and struggled to meet their on-farm storage capacity needs. USDA also just announced expanded program benefits and improvements to several conservation, livestock and noninsured crop assistance programs to ensure these programs are reaching all producers in need including underserved producer groups. Read the Jan. 10, 2023, [news release](#).
- Building on the existing suite of [USDA disaster assistance programs](#) that help offset losses and manage risk incurred as a result of natural disaster events USDA rolled out the [Emergency Relief Program \(ERP\)](#) and [Emergency Livestock Relief Program \(ELRP\)](#). In 2022, FSA implemented ERP Phase One, which delivered more than \$7 billion in payments to commodity and specialty crop producers. FSA also delivered more than \$600 million through ELRP to livestock producers who experienced losses to drought and wildfire in calendar year 2021. USDA recently announced additional relief through ERP Phase 2 for producers who suffered a

decrease in allowable gross revenue in 2020 or 2021 due to losses of eligible crops from a qualifying natural disaster event. Read the Jan. 9, 2023 [news release](#).

- In 2022, FSA took steps to improve coverage through the Dairy Margin Coverage (DMC), especially for small- and mid-sized dairies. This included offering a new Supplemental DMC (SDMC) program and updating its feed cost formula to reflect the actual costs dairy producers pay for high-quality alfalfa hay. For 2022, SDMC paid producers nearly \$3 million. DMC provided \$76.6 million to dairy producers who had coverage in 2022, and the signup for 2023 closed on Jan. 31, 2023. In additional safety-net support, FSA provided more than \$2.1 billion in critical support through the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs to mitigate fluctuations in either revenue or prices for certain crops.
- FSA updated the Conservation Reserve Program (CRP) and Conservation Reserve Enhancement Program (CREP) to improve their environmental benefits while expanding the reach of the program. In 2021, FSA added a Climate-Smart Payment Incentive and higher payment rates for CRP as well as tweaked CREP to allow for added staffing capacity and to better include organizations including Tribes. Just this past year, FSA enrolled about 5.6 million acres into the CRP through its General, Continuous and Grassland signups in 2022. This surpassed the 3.9 million acres expiring this year. Grassland CRP had its largest signup in history, enrolling 3.1 million acres.

More Information

Producers can explore all FSA farm loan and disaster assistance options at www.farmers.gov or by contacting their [local USDA Service Center](#).

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <https://www.usda.gov>.

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