



United States Department of Agriculture

# WELCOME TO THE FARM SERVICE AGENCY



**Brooke Raffaele**  
**FSA CA Public Affairs**  
**& Outreach**  
**Coordinator**

---

# WHAT IS THE FARM SERVICE AGENCY

The Farm Service Agency (FSA) is part of the U.S. Department of Agriculture and provides disaster programs and loans to help farmers and ranchers



---

FSA implements agricultural policy, administers credit and loan programs and manages conservation, commodity, disaster and farm marketing programs through a national network of offices.






# FARM PROGRAMS

- ❖ Commodity Programs:
  - ❑ Agriculture Risk Coverage (ARC) program provides revenue loss coverage at the county level. ARC-CO payments are issued when the actual county crop revenue of a covered commodity is less than the ARC-CO guarantee for the covered commodity.

- 
- ✘ **Price Loss Coverage** program payments are issued when the effective price of a covered commodity is less than the respective reference price for that commodity. The effective price equals the higher of the market year average price (MYA) or the national average loan rate for the covered commodity.



The Margin Protection Program offers dairy producers: (1) catastrophic coverage, at no cost to the producer, other than an annual \$100 administrative fee; and (2) various levels of buy-up coverage.

Farm Storage Facility Loan Program (FSFL)  
Provides loans to producers to build or upgrade farm storage and handling facilities.



# CONSERVATION

## ❖ Conservation Programs:

- Conservation Reserve Program (CRP) is a voluntary program for agricultural landowners. Through CRP, individuals can receive annual rental payments and cost-share assistance to establish long-term, resource conserving covers on eligible farmland.

An aerial photograph of a farm. A winding, light-colored irrigation canal or ditch runs through a green field. In the lower-left corner, a red tractor is visible in a field of harvested crops, likely corn.

## Emergency Conservation Program (ECP)

Provides emergency funding and technical assistance for farmers and ranchers to rehabilitate farmland damaged by natural disasters and for carrying out emergency water conservation measures in periods of severe drought.





# FARM PROGRAMS

## ❖ Disaster Assistance Programs

- Livestock Forage Program (LFP)
- LFP provides compensation to eligible livestock producers that have suffered grazing losses for covered livestock on land that is native or improved pastureland with permanent vegetative cover or is planted specifically for grazing.



Livestock Indemnity Program (LIP) provides benefits to livestock producers for livestock deaths in excess of normal mortality caused by adverse weather.

Emergency Livestock Assistance Program (ELAP)  
Provides emergency assistance to eligible producers of livestock, honeybees, and farm-raised fish.

# TREE ASSISTANCE PROGRAM (TAP)



Provides financial assistance to eligible orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes, and vines lost by natural disasters.

Eligible trees, bushes, and vines are those from which an annual crop is produced for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees produced for commercial sale.



# **NONINSURED CROP DISASTER ASSISTANCE PROGRAM**

NAP provides financial assistance to producers of non-insurable crops to protect against natural disasters that result in lower yields or crop losses, or prevent crop planting.

# **SOCIALLY DISADVANTAGE (SDA), LIMITED RESOURCE (LR) BEGINNING FARMER (BF)**

FSA will waive NAP service fees and reduce buy-up premiums by 50% for:

- ❖ Beginning farmers (BF)
- ❖ Limited resource farmers (LR)
- ❖ Socially disadvantaged farmers (SDA)

**QUESTIONS???**

# FSA FARM LOANS



Karri Jones- Farm Loan Officer

# WHO DO WE HELP?

---

FSA's loan programs are designed to help family farmers/ranchers to start, purchase or expand their farming operation.

- ❑ beginning farmers who need additional financial and business expertise to qualify for commercial credit.
- ❑ Farmers/ranchers who have suffered financial setbacks from disasters, natural or disease.
- ❑ additional resources with which to establish and maintain profitable operations.



# AVAILABLE LOANS

---

## ❖ *Direct Loans*

- ❖ \$300,000.00 loan limit
- ❖ Operating Loans
- ❖ Farm Ownership Loans

## ❖ Guaranteed Loans

- ❖ \$1,399,000.00
- ❖ Operating or Farm Ownership

# DIRECT OPERATING LOANS

- Up to \$300,000.00

- Annual Operating

- ✓ 12 -18 month terms
- ✓ Operating cycle expenses- feed, seed, chemicals, leases, etc.

- Term Operating

- ✓ 1-7 year terms
- ✓ Purchase livestock, equipment, refinance farm/ranch creditors

- Micro Loans

- ✓ 50,000
- ✓ 1-7 year terms
- ✓ Can be used for same uses as above.



# DIRECT FARM OWNERSHIP

- Up to \$300,000.00

- Use of funds

- ✓ Purchase land
- ✓ Capital improvements to property

- Terms

- ✓ Up to 40 Years

- Micro Farm Ownership Loans

- ✓ 50,000.00

- Terms

- ✓ Up to 25 year terms

- Use if Funds

- ✓ Same as above



# EMERGENCY LOANS

- ✘ Emergency Loans assist farmers who have suffered physical or production losses in areas declared by the President as disaster areas or designated by the Secretary of Agriculture as disaster areas.
- ✘ The maximum indebtedness under the Emergency Loan program is \$500,000.
- ✘ Term of will depend on type of loss.
- ✘ Rate %  
Current OL plus 1%, cap of 3.75%



# YOUTH LOANS

- ✘ USE OF FUNDS  
DEVELOP AN AG RELATED PROJECT.
- ❖ TERMS  
1-7 yrs. depending on project
- ✓ Loan amount  
Max of \$5,000.00



# BASIC ELIGIBILITY

---

- Family size farm
- Satisfactory history of meeting credit obligations
- US citizen or qualified alien
- Must be unable to obtain credit elsewhere
- Posses legal capacity to incur loan obligations
- Not be delinquent on any federal debt
- Not have caused a loss to the government by receiving debt forgiveness
- OL- 1 year of farming/ranching experience within the last 5 years
- FO- 3 years of farming/ranching experience within the last 10 years.

# GUARANTEED LOANS

---

- ✘ FSA's Guaranteed Farm Loan Programs helps family farmers and ranchers to obtain loans from USDA-approved commercial lenders at reasonable terms to buy farmland or finance agricultural production.
- ✘ Financial institutions receive additional loan business as well as benefit from the safety net the FSA provides by guaranteeing farm loans up to 95 (typically 90%) percent against possible financial loss of principal and interest.

# GUARANTEED OPERATING LOANS

- Annual Operating Loan – \$1,399,000.00
- ✓ Repayment: 12-months or when ag commodity is sold.
- Line of Credit – LOC
- Used for annual operating expenses
  
- Term Operating Loan
- ✓ Repayment: 1-7 years but will not exceed 7years.
- ✓ Used for purchase of livestock, equipment, refinance creditor debts
- Guarantee Fee of 1.5%
  
- Interest rate will be determined by lender





# GUARANTEED FARM OWNERSHIP LOANS

- ❖ \$1,399,000.00
- ❖ Repayment terms of up to 40 years.
- ❖ Used to purchase land or make capital improvements to property. Can also refinance real estate.
- ❖ Guarantee Fee of 1.5%
- ❖ Interest rates determined by lender

# USDA FARM SERVICE AGENCY

How to Obtain an FSA Loan ?

Contact your local FSA office

Locate your local county office @

<http://offices.usda.gov> or [www.fsa.usda.gov](http://www.fsa.usda.gov)

