New USDA Commitments to Help Build Up Next Generation of Farmers and Ranchers

The U.S. Department of Agriculture today announced a commitment by the U.S. Department of Agriculture (USDA) to prioritize $5.6 billion over the next two years within USDA programs and services that serve new and beginning farmers and ranchers. Deputy Secretary Harden also announced a new, tailored web tool designed to connect burgeoning farm entrepreneurs with programs and resources available to help them get started.

The new web tool is available at www.usda.gov/newfarmers. The site was designed based on feedback from new and beginning farmers and ranchers around the country, who cited unfamiliarity with programs and resources as a challenge to starting and expanding their operations. The site features advice and guidance on everything a new farm business owner needs to know, from writing a business plan, to obtaining a loan to grow their business, to filing taxes as a new small business owner. By answering a series of questions about their operation, farmers can use the site’s Discovery Tool to build a personalized set of recommendations of USDA programs and services that may meet their needs.

Using the new web tool and other outreach activities, and operating within its existing resources, USDA has set a new goal of increasing beginning farmer and rancher participation by an additional 6.6 percent across key USDA programs, which were established or strengthened by the 2014 Farm Bill, for a total investment value of approximately $5.6 billion. Programs were targeted for expanded outreach and commitment based on their impact on expanding opportunity for new and beginning farmers and ranchers, including starting or expanding an operation, developing new markets, supporting more effective farming and
conservation practices, and having access to relevant training and education opportunities. USDA will provide quarterly updates on its progress towards meeting its goal. A full explanation of the investment targets, benchmarks and outcomes is available at: BFR-Commitment-Factsheet.

As the average age of the American farmer now exceeds 58 years, and data shows that almost 10 percent of farmland in the continental United States will change hands in the next five years, we have no time to lose in getting more new farmers and ranchers established. Equally important is encouraging young people to pursue careers in industries that support American agriculture. According to an employment outlook report released by USDA’s National Institute of Food and Agriculture (NIFA) and Purdue University, one of the best fields for new college graduates is agriculture. Nearly 60,000 high-skilled agriculture job openings are expected annually in the United States for the next five years, yet only 35,000 graduates with a bachelor’s degree or higher in agriculture related fields are expected to be available to fill them. The report also shows that women make up more than half of the food, agriculture, renewable natural resources, and environment higher education graduates in the United States. USDA recently released a series of fact sheets showcasing the impact of women in agriculture nationwide.

Today’s announcement builds on USDA’s ongoing work to engage its resources to inspire a strong next generation of farmers and ranchers by improving access to land and capital; building market opportunities; extending conservation opportunities; offering appropriate risk management tools; and increasing outreach and technical support. To learn more about USDA’s efforts, visit the Beginning Farmers and Ranchers Results Page.

Producers are Reminded to Complete NASS Crop Surveys

The National Agricultural Statistics Service (NASS) Field Offices are currently completing 2015 small grain yield surveys and will contact growers in December to complete row crop yield surveys. If you are one of the producers contacted to complete a 2015 yield survey, we encourage your participation and cooperation as many USDA agencies including the Farm Service Agency (FSA) and Risk Management Agency (RMA) use the NASS yield data for their programs.

FSA uses NASS county yield data for farm credit, conservation, disaster programs, loan and commodity programs. Under the 2014 Farm Bill, FSA uses the NASS county yield data to calculate Agriculture Risk Coverage – County (ARC-CO) benchmark revenues and current year county revenues. For example, the 2014
NASS county yield, along with the crop’s marketing year average price (MYA), are used to determine the county’s current year revenue to determine if the county will trigger an ARC-CO payment. An ARC-CO payment is triggered for a county when the current year revenue falls below the guarantee revenue for the crop and crop year. In cases where NASS county yield data is not available, the FSA State Committee must determine a county yield using RMA yield data or the best available yield data, including assigning a county yield using neighboring county yields from NASS or RMA.

Any information that producers provide to NASS is kept confidential and protected by federal law. NASS publishes only aggregate-level data, ensuring that no individual operation or producer can be identified. All reports will be available at www.nass.usda.gov.

USDA Encourages Producers to Consider Risk Protection Coverage before Fall Crop Sales Deadlines

Disaster Assistance is Available for Crops that are Ineligible for Federal Insurance

Farm Service Agency today encouraged producers to examine the available U.S. Department of Agriculture (USDA) crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the sales deadline for fall crops.

Deadlines are quickly approaching to purchase coverage for fall-seeded crops. Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program. The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection.”

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to http://offices.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents.
Agent lists are available at all USDA Service Centers or at USDA’s online Agent Locator: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx, to predict insurance premium costs.

**Farm Safety**

Flowing grain in a storage bin or gravity-flow wagon is like quicksand — it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical operation of grain handling equipment also presents a real danger. Augers, power take offs, and other moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive crop year and that begins with putting safety first.

**Direct Loans**

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for both direct farm ownership and operating loans is $300,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.
Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to $1,399,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).