



USDA Farm Service Agency  
Val Dolcini, State Executive Director

# FSA: The Lender of First Opportunity

# California Agriculture At-A-Glance

- **81,700 farms and ranches** (less than 4% US farms)
- **11.9% of total US crop / commodity value**
- **\$37.5 billion in total output** (No. 1 state in farm-gate receipts)
- **Over 400 commodities**, including half the nation's fruits, nuts and vegetables
- **\$12.8 billion in exports in 2010** to 190+ countries
- **9 of 10 most productive ag counties in US** (Fresno, Tulare, Kern, Monterey, Merced, Stanislaus, San Joaquin, Kings, Imperial, Ventura)

2010 Estimates - USDA-ERS



**America's Lender of First Opportunity!** <sub>2</sub>



## Commodity Payments - FY 2011

- Direct and Counter-cyclical Program (DCP): **\$143 million**
- Commodity Loans and Loan Deficiency Payments (LDP): **\$97 million**

## Disaster Assistance - FY 2011

- Noninsured Crop Disaster Assistance Program (NAP): **\$1.7 million**
- Supplemental Revenue Assistance Payments (SURE): **\$19.7 million**
- Tree Assistance Program (TAP): **\$2.3 million**
- Livestock Forage Disaster Program (LFP): **\$27.1 million**



## Conservation and Bio-Energy - FY 2011

- Conservation Reserve Program (CRP): **\$4.4 million**
- Biomass Crop Assistance Program (BCAP): **\$185,000**

## Loans to Farmers and Ranchers - FY 2011

- Guaranteed Loans: **\$87.0 million**
- Direct Loans: **\$31.2 million**
- Socially Disadvantaged Farmers / Ranchers:  
**51.9 % of loans, 44.9% of dollars**



**America's Lender of First Opportunity!** 5

# FSA's Lending Activity in 2011

- **Direct** 466 loans / \$31.7 million
- **Guaranteed** 209 loans / \$87.8 million
- **Socially Disadvantaged /  
Beginning Farmer Rancher**
  - Direct 324 loans / \$21.2 million
  - Guaranteed 128 loans / \$49.9 million



America's Lender of First Opportunity! 6

# Farm Loan Programs in California

## Expanding Opportunity

More loans for beginning farmers and ranchers. New relationships with ag policy and community-based organizations. Greater connection to local and regional food systems.

## Building a More Sustainable Portfolio

Very low default and delinquency rates. More lender training. Adding new lending partners to current team of 98 lenders.

## Revitalizing Rural Communities

Impacts of local investment are enormous.



**America's Lender of First Opportunity!** 7

### LOCALLY OWNED BUSINESS

SPEND \$100 AT A LOCAL BUSINESS



### NON-LOCALLY OWNED BUSINESS

SPEND \$100 AT A NON-LOCAL BUSINESS



## Power of the Multiplier Effect



America's Lender of First Opportunity! 8

Numerous studies have shown a multiplier rate more than 3x: ...every dollar spent at the local store contributes three times the jobs to the local economy, three times the boost to income, three times the tax benefits...

Annotated list of studies available at: [www.LivingEconomies.org](http://www.LivingEconomies.org)

**MY CUSTOMER IS MY COMMUNITY**

THINK LOCAL  
**Buy local**  
BE LOCAL

**Think Local First!**

*Our one-of-a-kind businesses are an integral part of our distinctive character.*

**WE DEPEND ON EACH OTHER**

*"I love going to a graduation at the Silver Theater and then coming back to the store to see the staff selling my ice cream. Most of the money we spend on ingredients is paid directly to the farmers. We started buying Mike's Java for treats, organic, shade grown coffee when she was still reading to her grandpa—how she's so 100% become across the industry!"*

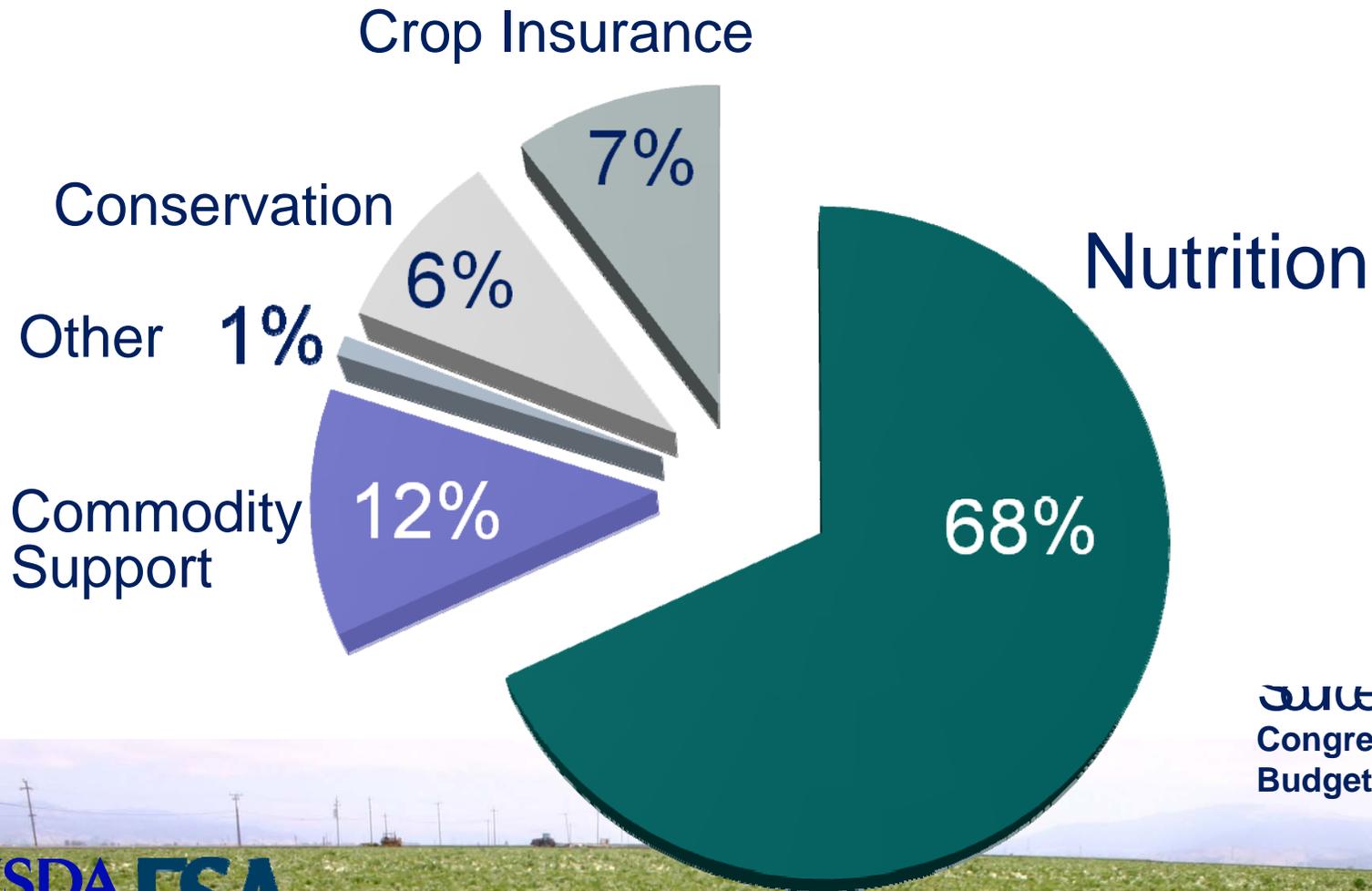
See Roberto's corn, Mallard Ice Cream, and Trudy's Baking, and Mike's Java coffee.

[www.ThinkLocal.org](http://www.ThinkLocal.org)



America's Lender of First Opportunity! 9

# 2008 Farm Bill Budget



Joint  
Congressional  
Budget Office



America's Lender of First Opportunity!<sup>10</sup>

# Is a New Farm Bill Imminent?

**Like other programs, agriculture is subject to deficit reduction...**

- Ag committees have proposed a \$23 billion cut over 10 years
- Direct payments are under fire, as payments are made even when no loss to growers
- Ag committees this past fall were interested in a “Shallow Loss” revenue-based program
- But it is difficult to develop a consensus given the diverse interests of members
- Dairy reform, less money for conservation also likely



**USDA FSA**  
FARM SERVICE AGENCY

**America's Lender of First Opportunity!**



Bohl 03-17-2007



America's Lender of First Opportunity!<sup>1,2</sup>



# Questions?

Val Dolcini, State Executive Director  
val.dolcini@ca.usda.gov  
530-792-5520

**America's Lender of First Opportunity!**

Sunset over citrus – Penryn, CA13