Celebrating 25 Years of USDA's Farm Storage Facility Loan Program

Success Story | | May 20, 2025

USDA's Farm Service Agency (FSA) is celebrating 25 years of the agency's popular Farm Storage Facility Loan Program (FSFL) this month. For a quarter century, family-owned agricultural operations have received low-interest financing through the program to enhance or expand their operations and manage marketing of the commodities they produce by building or upgrading permanent and portable storage facilities and purchasing needed handling equipment.

"Participating in FSA's Farm Storage Facility Loans program provides producers affordable financing that allows them to build an on-farm storage system the right way from day one - a system that provides grain handling capacity for years to come," said FSA Administrator Bill Beam. "Many people think of grain storage when they hear on-farm commodity storage, but the reality is, the program has expanded over the past quarter century to include a variety of storage and handling options including bins, cold storage, trucks and more, all designed to help agricultural producers take their commodities from field to facility to the end user."

The FSFL program was created in May 2000 to address existing on-farm grain storage needs. Since the program's inception, more than 40,000 loans have been issued for on-farm storage, increasing storage capacity by one billion bushels. While many producers primarily associate the program with grain storage, over the past 25 years the eligible storage has expanded to include a wide variety of facilities and related equipment - new or used and permanent or portable - including hay barns, bulk tanks, and facilities for cold storage. Drying, handling and storage equipment is also eligible, including skid steers and storage and handling trucks.

Eligibility

Eligible commodities for storage loans include grains, oilseeds, peanuts, pulse crops, hay, hemp, honey, renewable biomass commodities, fruits and vegetables, floriculture, hops, seed cotton, wool, maple sap, maple syrup, milk, cheese, yogurt, butter, eggs, unprocessed meat and poultry, rye and aquaculture. Most recently, controlled atmosphere storage was added as an eligible facility and bison meat has been also added to the list of eligible commodities.

FSFL is an excellent financing program to address on-farm storage and handling needs for small and mid-sized farms, and for new farmers. Loan terms vary from three to 12 years. The maximum loan amount for storage facilities is $500,000. The maximum loan amount for storage and handling trucks is $100,000. In 2016, FSA introduced a new storage loan category, the microloan, for loans with an

aggregate balance up to $50,000. Microloans offer a 5% down payment requirement, compared to a 15% down payment for a regular FSFL, and microloans waive the regular three-year production history requirement.

How to apply

Loan applications should be filed in the administrative FSA county office that maintains a producer's farm records. Producers can contact their FSA County Office to make an appointment. Beginning farmers who haven't worked with FSA can visit farmers.gov/your-business/beginning-farmers for more information or view the New Farmers Fact Sheet.

More information

For more information, visit the FSFL webpage, view the fact sheet and our Ask the Expert Blog, or contact your FSA County Office.

Farm Service Agency:

1400 Independence Ave.
SW Washington, DC 20250

Contact:

FPAC Press Desk
FPAC.BC.Press@usda.gov