Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

USDA Announces Fiscal Year 2026 Sugar Loan Rates and No Actions Under Feedstock Flexibility Program

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WASHINGTON, Sept. 26, 2025 - The U.S. Department of Agriculture's (USDA) Commodity Credit Corporation (CCC) today announced sugar loan rates for crop year 2025 (fiscal year 2026). The rates, which were raised in the One Big Beautiful Bill Act signed by President Donald J. Trump on July 4, 2025, reflect the first meaningful increase to sugar loan rates in 40 years. CCC also announced no actions taken under the Feedstock Flexibility Program.

Marketing Assistance Loan Rates

USDA offers commodity loans to processors of sugar beets and domestically grown sugarcane to provide interim financing to producers so that sugar can be stored after harvest when market prices are typically low and then sold later when price conditions are more favorable. The 2025 One Big Beautiful Bill increased the national average loan rate to 24.00 cents per pound for raw cane sugar and 32.77 cents per pound for refined beet sugar. These rates are adjusted regionally to reflect marketing cost differentials.

Loans are available beginning Oct. 1, 2025, and mature at the end of the nine-month period beginning the first day of the first month after the month in which the loan is made, or the end of the fiscal year in which the loan is made, whichever is earlier. Producers have the option to deliver the pledged sugar collateral to CCC as full payment for the loan at maturity.

Loan Rates for Refined Beet Sugar

The refined beet sugar processing regions and applicable 2025-crop (fiscal year 2026) loan rates in cents per pound of refined beet sugar are:

- Michigan and Ohio - 33.08
- Minnesota and the eastern half of North Dakota - 32.70
- Northeastern quarter of Colorado, Nebraska and the southeastern quarter of Wyoming - 33.40

- Montana, northwestern quarter of Wyoming and the western half of North Dakota - 33.05
- Idaho, Oregon and Washington - 32.56
- California - 33.66

Loan Rates for Raw Cane Sugar

The 2025-crop (fiscal year 2026) raw cane sugar loan rates in cents per pound of cane sugar, raw value are:

- Florida - 22.96
- Louisiana - 25.11

Note: Loan rates were not provided for Hawaii and Texas, as Hawaii stopped producing sugar in January 2017, and Texas submitted a production forecast of 0 for fiscal year 2026.

Sugar beet and sugarcane processors who receive CCC loans in fiscal year 2026 are required to make minimum grower payments for all sugar beets and sugarcane received from growers. Processors failing to meet the required minimum grower payment will be ineligible for loans. Sugar beet grower minimum payments are the amount specified in the grower/processor contract.

Sugarcane processors must, at minimum, pay growers for their share of production from molasses and sugar per ton of cane as specified here. State minimum payments are:

- Florida - $34.62 per net ton
- Louisiana - $39.29 per gross ton

CCC has modified the fiscal year 2026 raw sugar loan schedule of premiums and discounts as the raw cane sugar loan rate has changed. These schedules can be found in the Farm Service Agency (FSA) handbook 10-SU, or in FSA's state and county offices.

USDA Announces No Actions Under Feedstock Flexibility Program

CCC also announced today that it does not expect to purchase and sell sugar under the Feedstock Flexibility Program for crop year 2024, which runs from Oct. 1, 2024, to Sept. 30, 2025.

The CCC is required by law to quarterly announce estimates of sugar to be purchased and sold under the Feedstock Flexibility Program based on crop and consumption forecasts.

Federal law allows sugar processors to obtain loans from USDA with maturities of up to nine months when the sugarcane or sugar beet harvests begin. On loan maturity, the sugar processor may repay the loan in full or forfeit the collateral (sugar) to USDA to satisfy the loan.

The Feedstock Flexibility Program, initially authorized in the 2008 Farm Bill, was reauthorized by Congress in the 2018 Farm Bill as an option to avoid sugar forfeitures. Under the Feedstock Flexibility Program, if USDA is faced with the likelihood of loan forfeitures, it is required to purchase surplus sugar and sell it to bioenergy producers to reduce the surplus in the food use market and support sugar prices. USDA's Sept. 12, 2025, World Agricultural Supply and Demand Estimates report (www.usda.gov/oce/commodity/wasde) projects that crop year 2024 (fiscal year 2025) U.S. ending sugar stocks are unlikely to lead to forfeitures. Therefore, USDA does not currently expect to purchase and sell sugar under the Feedstock Flexibility Program for crop year 2024.

USDA will closely monitor domestic sugar stocks, consumption, imports and other sugar market variables on an ongoing basis and will continue to administer the sugar program as transparently as possible using the latest available data. The next quarterly estimate regarding the Feedstock Flexibility Program will occur on or before Jan. 1, 2026.

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