



FSA Quickly Implemented Crucial Programs Amid Challenging Year

News Release | December 16, 2020

Contact: FPAC.BC.Press@usda.gov

WASHINGTON, Dec. 16, 2020 - USDA's Farm Service Agency (FSA) helped farmers, livestock producers and foresters weather a tough 2020, marked with a pandemic and natural disasters. During the COVID-19 pandemic, FSA continued to deliver farm programs to producers through phone and online tools, using social distancing guidelines. The agency also provided extra flexibilities to its programs, adjusting reporting dates and loan processing timelines, and continued to expand technology and streamline services to enhance efficiency and effectiveness.

"Through this tough year, FSA continued to deliver crucial safety net, disaster assistance, farm loan and conservation programs to America's farmers and livestock producers," said FSA Administrator Richard Fordyce. "We partner with agricultural producers to grow and expand their operations as well as weather the unpredictable, such as the COVID-19 pandemic and natural disasters. We've also spent the past year working to optimize program delivery and find better and modern ways to serve our customers."

Key highlights from 2020 include:

Support amid COVID-19 Pandemic: FSA worked with economists and commodity specialist across USDA to quickly build and deliver two rounds of the [Coronavirus Food Assistance Program](#) (CFAP), which provides financial assistance to help producers absorb some of the increased marketing costs associated with the COVID-19 pandemic. The deadline to apply for almost all commodities was last week, and so far, the two rounds of funding have provided nearly \$23 billion in relief. Additionally, FSA has added flexibilities to its farm credit options, including loan servicing and enabling a disaster set-aside option to defer a loan payment.

Disaster Assistance: Natural disasters, including wildfires in the West, hurricanes along the Gulf Coast, the derecho in the Midwest and widespread severe drought, took a toll on U.S. agriculture in 2020. Through FSA's suite of disaster assistance programs, producers received more than \$212 million to help offset disaster-related losses in 2020. Additionally, FSA added drought and excess moisture as eligible causes of loss for the [Wildfire and Hurricane Indemnity Program - Plus](#), which provided much-needed assistance to help producers impacted by 2018 and 2019 natural disasters. In total, the program provided \$1.24 billion in relief.

Farm Credit: FSA helps farmers and ranchers get the financing they need to start, expand or maintain a family farm. This past year, FSA obligated more than \$7.5 billion in direct and guaranteed farm ownership and operating loans, the highest in agency history. This includes more than \$3.4 billion for beginning farmers, also an agency record. The 2018 Farm Bill raised the amount producers can borrow, and FSA has seen sharp demand for loans in the past year, especially direct and guaranteed farm ownership loans. Meanwhile, FSA provided low-interest financing to producers to build or upgrade storage facilities and to purchase portable structures, equipment and storage and handling trucks through the Farm Storage Facility Loan (FSFL) program. FSA obligated a record \$340 million in fiscal year 2020. Finally, FSA provided producers with \$8.3 billion in interim financing in fiscal year 2020 through marketing assistance loans, which help producers meet cash flow needs without having to sell their commodities when market prices are low.

Safety Net Programs: FSA held 2020 enrollment for the [Agricultural Risk Coverage \(ARC\) and Price Loss Coverage \(PLC\) programs](#), where producers signed more than 1.7 million contracts. Election and enrollment for 2021 ARC and PLC is underway, and those enrolled for the 2019 crop year received more than \$5 billion in payments earlier this fall. Last week, FSA wrapped up the 2021 signup for the [Dairy Margin Coverage program](#), where more than 17,000 dairy operations enrolled in the risk management program. Operations that enrolled for coverage in 2019 and 2020 have received more than \$500 million.

Conservation: FSA held its 54th general signup for the Conservation Reserve Program (CRP), the first since 2016, and enrolled 3.4 million acres into the program. Additionally, FSA rolled out two new CRP pilots, the Soil Health and Income Protection Program and CLEAR30, and is preparing for next year with the CRP general signup beginning Jan. 4, 2021 and the CRP Grasslands signup beginning March 15, 2021.

Critical Program Delivery: FSA worked closely with the FPAC Business Center to build and implement programs during the pandemic, including CFAP 1, CFAP 2, and the Seafood Trade Relief Program (STRP). CFAP 2 was developed and deployed within six weeks. Through STRP, FSA helped U.S. fishermen who have been impacted by unfair retaliatory tariffs from foreign governments. Signup is ongoing for STRP through Jan. 15, and so far, FSA has approved 6,300 applications for more than \$154 million in relief payments. Additionally, because many applicants applying for CFAP and STRP had not worked with FSA previously, the agency stood up a call center to help producers ask questions about FSA programs and get a jump start on program applications. The call center has received over 25,000 calls, including over 800 in Spanish, since its inception in May.

FSA is a part of the Farm Production and Conservation (FPAC) mission area at USDA. Other 2020 highlights can be found [here](#).

All USDA Service Centers are open for business, including those that restrict in-person visits or require appointments. All Service Center visitors wishing to conduct business with FSA, Natural Resources Conservation Service or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors are also required to wear a face covering during their appointment. Our program delivery staff will continue to work with our producers by phone, email and using online tools. More information can be found at farmers.gov/coronavirus.

Correction: The marketing assistance loan amount was corrected on Dec. 28 to \$8.3 billion. The amount in the original release was incorrect.

Farm Service Agency:

1400 Independence Ave.
SW Washington, DC 20250

Contact:

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