



FSA Quickly Implemented Crucial Programs Amid Challenging Year

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SAINT PAUL, MN, January 6, 2020 - USDA's Farm Service Agency (FSA) helped farmers, livestock producers, and landowners weather a tough 2020, marked with volatile prices, 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 Minnesota's farmers and livestock producers," said Joe Martin, FSA's State Executive Director in Minnesota. "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 in Minnesota."

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 Dec. 11, and so far, the two rounds of funding have provided nearly \$23 billion in relief, including \$1.4 billion in Minnesota. 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: Over the last several years, natural disasters, took a toll on U.S. agriculture. FSA added drought and excess moisture as eligible causes of loss for the [Wildfire and Hurricane Indemnity Program - Plus](#) program, which provided much-needed assistance to help producers in Minnesota impacted by 2018 and 2019 natural disasters. In total, the program has provided \$1.24 billion in relief nationwide. Minnesota has received nearly 30,000 initiated applications and made over 170 million dollars in WHIP+ payments.

Farm Credit: 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. In Minnesota nearly 1,700 loans were approved totaling

almost \$462 million. 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 nationwide in fiscal year 2020. Over \$78 million of that was through more than 1,100 approved facility loans in Minnesota. Finally, FSA provided producers with \$8.3 billion in interim financing in fiscal year 2020 through marketing assistance loans. More than 5,500 Marketing assistance loans were made to customers in Minnesota totaling more than 750 million dollars. These loans 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 100,000 contracts in Minnesota. Election and enrollment for 2021 ARC and PLC is underway, and Minnesota farms enrolled for the 2019 crop year received more than \$294 million in payments earlier this fall. Last week, FSA wrapped up the 2021 signup for the [Dairy Margin Coverage program](#), with nearly 2,000 dairy operations in Minnesota participating in the program, which has paid out more than \$53 million in 2019 and 2020 to Minnesota dairy farms.

Conservation: FSA held its 54th general signup for the Conservation Reserve Program (CRP), the first since 2016, and enrolled 3.4 million acres nationwide into the program, including 105,322 acres in Minnesota. Additionally, FSA rolled out two new CRP pilots, the Soil Health and Income Protection Program and CLEAR30, and the CRP general signup began Jan. 4, 2021 and the CRP Grasslands signup is beginning March 15, 2021.

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.

Farm Service Agency:

1400 Independence Ave.
SW Washington, DC 20250

Contact:

FPAC Press Desk

FPAC.BC.Press@usda.gov