



USDA Leadership in Georgia Visits with Producers in Cochran to Discuss FSA Programs and Resources

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ATHENS, Ga., Dec. 7, 2022 - USDA's Farm Service Agency (FSA) State Executive Director, Arthur Tripp, recently participated in a roundtable discussion with producers in Cochran to discuss available FSA assistance, including the [Farm Storage Facility Loan Program \(FSFL\)](#), [Microloans](#), and the [Noninsured Crop Disaster Assistance Program \(NAP\)](#).

"During the roundtable, we had a robust dialogue regarding available FSA commodity, disaster, conservation, and credit assistance," said Tripp. "It is extremely important that we have these conversations with producers so that they are aware of the resources available to help them realize their production and marketing goals and ensure their operations are viable for generations to come."

In production agriculture, risk management play and integral role in the overall business plan for any agricultural operation. FSA offers NAP coverage to producers of non-insurable crops to protect against the impacts of natural disasters that result in lower yields or crop losses or prevents crop planting To qualify for NAP benefits, eligible causes of loss include damaging weather, such as drought, freeze, hail, excessive moisture, excessive wind, or hurricanes; adverse natural occurrences, such as earthquake or flood; and conditions related to damaging weather or adverse natural occurrences, such as excessive heat, plant disease, or insect infestation.

To obtain NAP coverage, eligible producers must apply for coverage and pay the applicable service fee. For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per administrative county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Beginning, limited resource, socially disadvantaged and qualifying military veteran farmers or ranchers are eligible for a waiver of the service fee and a 50 percent premium reduction.

Access to capital and financing options are often a challenge for agricultural producers. In addition to the Agency's full portfolio of direct and guaranteed operating and ownership farm loans, FSA developed the Microloan Program to better serve the unique financial needs of new, niche, and small

to mid-sized family farm

operations. FSA microloans offer more flexible access to credit and serve as an attractive loan alternative for smaller farming operations, like specialty crop producers and operators of community supported agriculture (CSA).

There are two types of microloans issued direct, from FSA to the borrower: Farm Operating Loans and Farm Ownership Loans. Operating microloans can be used for all approved operating expenses, including but not limited to initial start-up expenses; family living expenses; purchase of livestock, equipment, and other materials essential to farm operations; minor farm improvements such as wells and coolers; hoop houses to extend the growing season; essential tools; irrigation; and delivery vehicles.

Ownership microloans can be used for all approved ownership expenses, such as purchase of a farm or farmland, enlarging an existing farm, constructing new farm buildings, improving existing farm buildings, paying closing costs, and implementing soil and water conservation and protection practices. The microloan application process is streamlined, requiring less paperwork to complete, consistent with a smaller loan amount. Requirements for managerial experience and loan security have been modified to accommodate veterans, smaller farm operations, and beginning farmers. Applicants may apply for microloans totaling a combined maximum of \$100,000: up to \$50,000 for a farm ownership loan and up to \$50,000 for an operating loan.

FSA also offers farm storage facility loan to provide low-interest financing for producers to store, handle, and/or transport eligible commodities they produce. This includes acquiring, constructing, or upgrading new or used, portable or permanently affixed, on-farm storage and handling facilities; acquiring new or used storage and handling trucks; and acquiring portable or permanently affixed storage and handling equipment. Through the FSFL, a producer may borrow up to \$500,000 per loan, with a minimum down payment of 15%. Microloan options are also available for up to \$50,000 with the minimum down payment reduced to 5%. For more information or to apply for FSA programs and loans, producers are encouraged to contact their local USDA Service Center.

USDA touches the lives of all Americans each day in so many positive ways. Under the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy, and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit? usda.gov.

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