USDA Now Accepting Applications for Farm Loans Online

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WASHINGTON, Dec. 5, 2023 - The U.S. Department of Agriculture (USDA) has launched an online application for Direct Loan customers. More than 26,000 customers who submit a Direct Loan application each year can now use an online, interactive, guided application that is paperless and provides helpful features including an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet and build a farm operating plan. This tool is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, improve customer service, and expand credit access.

"The Biden-Harris Administration is working hard to make it easier for farmers and ranchers to get the loans they need to keep growing food, fiber, and fuel for our country," said Deputy Secretary Xochitl Torres Small. "Online services are commonplace in commercial lending, and with USDA Farm Service Agency's new online loan application feature, it is now easier for producers to get the financing they need to start, expand, or maintain their farming and ranching operations."

The online farm loan application replicates the support an applicant would receive when completing a loan application in person with an FSA Farm Loan Officer, while continuing to provide customers with one-on-one assistance as needed. This tool and other process improvements allow farmers and ranchers to submit complete loan applications and reduce the number of incomplete and withdrawn applications.

Through a personalized dashboard, borrowers can track the progress of their loan application. It can be accessed on farmers.gov or by completing FSA's Loan Assistance Tool at farmers.gov/loan-assistance-tool. To use the online loan application tool, producers must establish a USDA customer account and a USDA Level 2 eAuthentication ("eAuth") account or a Login.gov account. For the initial stage, the online application tool is only available for producers who will be, or are currently, operating their farm as an individual. FSA is expanding the tools availability to married couples applying jointly and other legal entities in 2024.

Farm Loan Improvement Efforts

FSA has a significant initiative underway to streamline and automate Farm Loan Program customer-facing business processes. For the over 26,000 producers who submit a Direct Loan application to FSA annually, and its 85,000 Direct Loan borrowers, FSA has made improvements this year,

including:

- A simplified direct loan paper application, reduced from 29 pages to 13 pages.
- The Loan Assistance Tool on farmers.gov that provides customers with an interactive online, step-by-step guide to identifying the Direct Loan products that may be a fit for their business needs and to understanding the application process.

More Information

FSA continues to accept and review individual requests for assistance from qualifying borrowers who took certain extraordinary measures to avoid delinquency on their direct FSA loans or those who were unable to make a recent installment or are unable to make their next scheduled installment for installments through January 15, 2024. All requests for assistance must be received by Dec. 31, 2023. For more information, or to submit a request for assistance, producers can contact their local USDA Service Center or visit farmers.gov/inflation-reduction-investments/assistance.

The Inflation Reduction Act, a historic, once-in-a-generation investment and opportunity for agricultural communities, provided $3.1 billion for USDA to provide relief for distressed borrowers with certain FSA direct and guaranteed loans and to expedite assistance for those whose agricultural operations are at financial risk. Since October 2022, USDA has provided approximately $1.6 billion in assistance to more than 27,000 distressed direct and guaranteed FSA loan borrowers.

USDA touches the lives of all Americans each day in so many positive ways. In 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 www.usda.gov.

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