



Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE



USDA FSA Overview & How to get Started with FSA

FARM PRODUCTION AND CONSERVATION
FSA | NRCS | RMA | Business Center

What is the Farm Service Agency

- The Farm Service Agency is part of the U.S. Department of Agriculture and provides programs and loans to help farmers, ranchers and agricultural partner organizations provide food, fuel and fiber to millions of people worldwide.



What Does FSA Offer?

Farm Programs

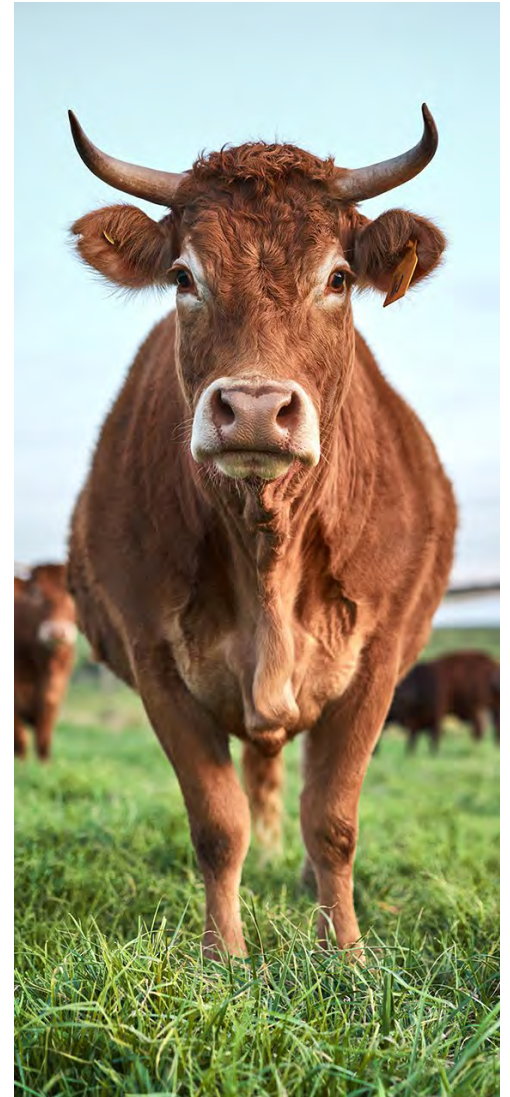
- Disaster Assistance
- Risk Management Tools
- Conservation
- Organic Cost Share
- Farm Storage Facility Loans

Farm Loans

- Ownership Loans
- Operating Loans
- Microloans
- Loan Guarantees

Farm Programs

- Disaster Assistance Programs
 - Livestock Forage Program (LFP)
 - Livestock Indemnity Program (LIP)
 - Emergency Livestock Assistance Program (ELAP)
 - Tree Assistance Program (TAP)
 - Noninsured Crop Disaster Assistance Program (NAP)



Farm Programs

- Dairy Margin Coverage Program (DMC)
- Marketing Assistance Loans (MAL)
- Loan Deficiency Payments (LDPs)
- Farm Storage Facility Loan Program (FSFL)



Farm Programs

- Emergency Conservation Program (ECP)
 - The Emergency Conservation Program (ECP) helps farmers and ranchers repair damage to farmlands caused by natural disasters and put in place methods for water conservation during severe drought. The ECP does this through funding and technical assistance.



Farm Loan Programs

- FSA is supervised credit - different from traditional credit. FSA is the lender of first opportunity for those who may not otherwise qualify for ag credit.

Direct and guaranteed applicants must:

- Be unable to obtain sufficient credit elsewhere
- Be a citizen or a legal resident alien
- Possess legal capacity to incur the loan obligation
- Have acceptable credit history
- Be the owner-operator or tenant-operator of a family farm

Types of FSA Loans

- Direct Loan Programs-
 - Farm Ownership (FO),
 - Operating (OL)
 - Microloan (ML)

*Interest rates for October 2024:

FO- 5.375%

OL- 4.875%

- Guaranteed Loan Program
- Beginning Farmer Down Payment Loan



Farm Ownership Loan

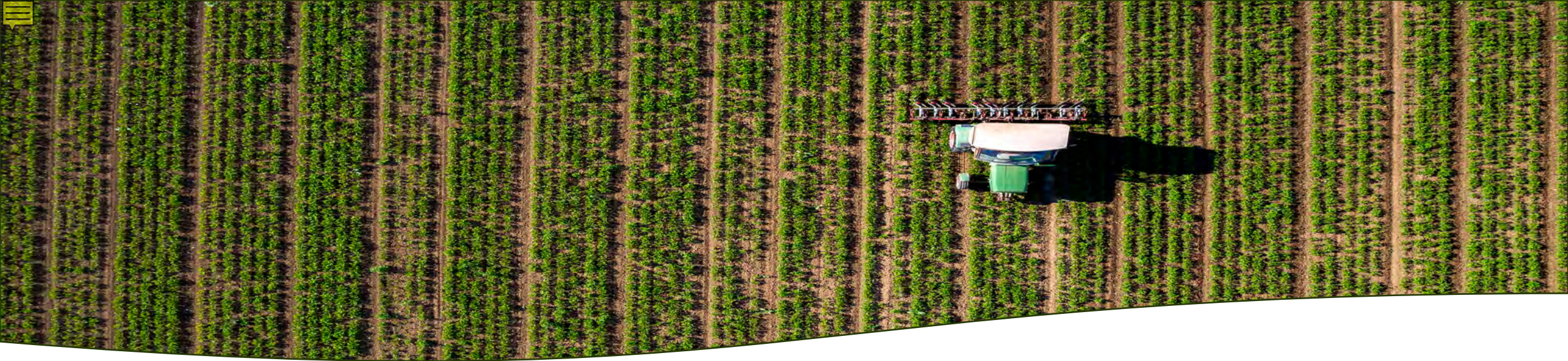
- Ownership loans can be used to pay for:
 - Land purchases
 - Capital improvements
 - Soil and water conservation
 - Loan closing and related expenses

Farm Ownership loans can be repaid in up to 40 years. Limit \$600,000



Operating Loans

- Operating loans can be used to purchase:
 - Equipment
 - Livestock
 - Production expenses
 - Refinance operating expenses



Microloans

- Operating microloans can be used for things like start-up expenses, seed, fertilizer, marketing, livestock etc.
- Ownership loans can be used for expenses like purchasing land or a farm, enlarging an existing farm, constructing buildings, paying closing costs etc.
- Operating loans repayment terms are 1 to 7 years while ownership is up to 25 years.

Guaranteed Loans

- Guaranteed loans are made and serviced by agricultural lenders (farm credit, local bank etc.)
- Funded by the lender
- Often used to help lenders continue with customers who have experienced setbacks
- To qualify for an FSA guaranteed loan an applicant must:
 - meet general eligibility requirements, be unable to obtain the loan without a guarantee and have a feasible plan and adequate collateral as determined by the lender
- \$2,251,000 Limit

Down Payment Loan:

- Applicants must:
 - be beginning farmers, veteran or SDA farmers
 - Provide a 5% down payment
- Down Payment loan funds may be used only to partially finance the purchase of a family farm.
- FSA can loan up to 45% of the least of the purchase price, appraised value or \$667,000 (max loan is \$300,000).
- The balance of the purchase price not covered by the down payment loan and the loan applicant's down payment may be financed by a private lender, a cooperative, or the seller.



Youth Loans

- USDA Farm Service Agency (FSA) makes loans to start and operate income-producing projects of modest size in connection with participation in 4-H clubs, FFA, a Tribal youth group, or similar agricultural youth organization.
- The project being financed with an FSA Youth Loan needs to provide an opportunity for a young person to acquire experience and education in agriculture-related skills.

Loan Purposes

- Youth loan funds must be used only to pay the expenses associated with an approved project.
- Buy livestock, seed, equipment and supplies
- Buy, rent or repair needed tools and equipment
- Pay operating expenses for the project





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Getting Started & Tips for Success

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Getting started with FSA:

- Connect with your state Beginning Farmer Coordinator
- USDA Service Center Locator
- Connect with your local USDA Service Center.
- You will be able to visit one-on-one with Farm Service Agency (FSA) staff.





Telling Your Story

- You have a voice, and we want to hear it.
- There are many boards and committees that seek farmer input and perspective
- When you participate in our programs, we also want to hear from you and build a working relationship with you



What to bring: Your first visit

- Proof of identity: driver's license, Social Security number/card, IRS EIN number
- Copy of recorder deed, survey plat, rental, or lease agreement of the land. You do not have to own property to participate in FSA programs.
- Entities: articles of incorporation, trust & estate documents, partnership agreement

Getting a farm number with FSA

- Register your farm or ranch in our database
- A map will be created outlining your farm or ranch boundaries with acreage figures
- You'll get a farm number, which will allow you to access key USDA programs and eligibility to vote in county committee elections.
- Staff will provide you with routine program notifications

FSA Farm Programs: Step 1

Crop Acreage Reporting - file annually

- It's important to report hay and pasture even if you're not growing crops
- Staff can help you with understanding what to report based on your operation
- Remember that your filing opens the door to many programs within FSA

Being Prepared for Disasters

- FSA has multiple programs to help farmers and ranchers with readiness and security in the case of a disaster event occurring
- Think in advance to protect your operation and consider programs that can provide support when hard times come around
- Our Non-insurable Disaster Assistance Program (NAP) helps to cover operations growing commodities not covered by traditional crop insurance!

Tips for Success

- Report any changes to your farm operation, accounts, or ownership changes to FSA as soon as possible
- File your acreage reports annually to maintain eligibility
- Stay current! Sign up for GovDelivery to receive local newsletters, bulletins and text messages.
- You are guaranteed to receive a Receipt for Service after each FSA office visit

Advocating for yourself and other farmers

Work with us

- Ask for assistance in filling out loan and program applications
- You are entitled to a Receipt for Service after every FSA office visit
- You can appeal program denials
- Get help when needed
- Intermediaries like local ag organizations or FSA Outreach Coordinators can help you navigate FSA
- Every local FSA office has a County Executive Director, and every Loan Officer has a Farm Loan Manager. They report to a District Director and ultimately to the State Executive Director



Definitions to Know

- *Beginning Farmer according to FSA: A beginning farmer or rancher is an individual or entity who:*
 - has not operated a farm or ranch for more than 10 years
 - meets the loan eligibility requirements of the program to which he/she is applying
 - for an FO loan, does not own a farm greater than 30 percent of the average size farm in the county
- *SDA: Historically Underserved Groups*
 - As defined by law, an SDA applicant is one who is a member of a socially disadvantaged group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as a member of a group, without regard to their individual qualities.
 - SDA groups are African Americans, American Indians, Alaskan Natives, Hispanics, Asians, Pacific Islanders, and Women.



FSA County Committees

FSA County Committees (COC) help administer and oversee FSA programs that make a difference for farmers and ranchers in your community:

- Represent local farmers, provide agricultural guidance and insight to county office staff, and assist with outreach to farmers, hire County Executive Directors (CED)
- More than 7,000 farmers serve on COCs
- Elections happen locally every year and elected members serve three-year terms in their Local Administrative Area (LAA). COCs meet periodically and committee members are paid a stipend and mileage reimbursement

An aerial photograph of a rural landscape at sunrise. The scene is bathed in a warm, golden light, with mist rising from the fields and sunbeams streaming down from the sky. In the foreground, there are green fields, a small farm with a yellow house, a blue-roofed structure, and a pond. The background shows rolling hills and a distant town under a hazy sky.

ANY QUESTIONS?

LOCAL USDA SERVICE CENTER

SANTA BARBARA/VENTURA CO. FSA

920 EAST STOWELL ROAD

SANTA MARIA CA 93454

805-928-9269 EXT.2

www.fsa.usda.gov