United States Department of Agriculture

News Release

In Challenging Year, USDA Continued its Focus on America's Farmers and Ranchers

USDA Delivered Programs to Help Producers Amid Pandemic, Natural Disasters

WASHINGTON, Dec. 16, 2020 – USDA farm programs helped farmers and ranchers weather a tough 2020, one marked with a pandemic and multiple natural disasters. USDA's farm program agencies – the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), Risk Management Agency (RMA), and Farm Production and Conservation (FPAC) Business Center – worked to deliver programs to assist agricultural producers while also making strides to enhance efficiency and effectiveness to improve service to customers.

"We continue to admire and support the resiliency of farmers and ranchers during challenging times," said Bill Northey, USDA's Under Secretary for Farm Production and Conservation. "Amid the pandemic, our team has continued to work closely with producers to apply for programs and access needed USDA services. Meanwhile, we've also been working to improve efficiencies in how we operate to ultimately provide better customer service to America's producers."

Key highlights from 2020 include:

Support amid COVID-19 Pandemic: USDA continued to deliver farm programs and assistance to producers during the pandemic through innovative approaches to social distancing, adoption of virtual meetings across the nation and enhanced online tools through farmers.gov. USDA provided extra flexibilities to its programs, including crop insurance, farm programs and loans. RMA worked diligently to maximize crop insurance flexibilities – deadlines, deferral of interest, and other requirements – to help producers and insurance providers better cope with the impacts of the pandemic. FSA and NRCS worked together to adopt new processes for electronic signatures to ensure producer and field staff could use electronic tools safely and securely. FSA and the FPAC Business Center 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 revenue losses and increased marketing costs associated with the COVID-19 pandemic. The deadline to apply for CFAP 2 is Dec. 11, and so far, CFAP 1 and CFAP 2 provided almost $23 billion in relief. Learn more.

Disaster Relief: 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 this year. Through FSA's suite of disaster programs, USDA helped offset losses totaling more than $212 million in fiscal 2020. Additionally, producers with crop insurance coverage received more than $5.8 billion in indemnities. In a year with 30 named storms, RMA rolled out two new policies to help offset impacts from hurricanes, the Hurricane Insurance Protection – Wind Index, Florida Citrus APH policy, and Nursery Value Select. 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 from 2018 and 2019 natural disasters. In total, the program provided $1.24 billion in relief.

Improving Efficiency, Effectiveness: Through extensive business process re-engineering of FSA, NRCS, and RMA administrative systems, the FPAC Business Center streamlined processes and improved mission support delivery, which enables FSA, NRCS, and RMA staff to continue providing best-in-class customer service and delivery of farm programs. Examples of improvements include:

- **Staffing:** The FPAC agencies are currently staffed at 91% of the hiring ceiling, compared with 88% in 2018. FPAC agencies have 1,200-plus more staff on-board in 2020 than in 2019, and time to hire from 2019 to 2020 was reduced by 34%.
- **IT Services:** Through consolidation of data centers, the FPAC Business Center saved more than $10 million. Additionally, the Business Center implemented a Digital Infrastructure Service Center cost monitoring dashboard, which saved more than $850,000 in fiscal 2020 and is projected to save $1.4 million in fiscal 2021.
- **Fleet:** The FPAC Business Center improved fleet management through enhanced reporting tools and new processes for vehicle-sharing among sister agencies. This included decreasing underutilized vehicles in the fleet by 21% in recent years.

Streamlining Programs and Services: FSA, NRCS, RMA, and the FPAC Business Center continue their close coordination of USDA programs and services. In the past year, the agencies coordinated in the selection and training of beginning farmer and rancher coordinators across the country, who will be representing the entire portfolio of USDA programs for new farmers and ranchers. The agencies also lead USDA's new Office of Urban Agriculture and Innovative Production, which awarded its first ever grants and cooperative agreements this year to support urban agriculture, as well as stood up its first urban county committees.

Delivery of Additional Programs and Services: FSA, NRCS, and RMA continued vital delivery of important safety net, farm loan, and conservation programs. In addition to programs mentioned earlier, the FPAC agencies delivered:

- **Safety Net:** Following the 2019 sign up that ended in early 2020, FSA held 2020 signup for the Agricultural Risk Coverage and Price Loss Coverage programs, where producers signed more than 1.7 million contracts. Signup for the 2021 crop year is underway and producers enrolled for 2019 received more than $5 billion in payments this fall. FSA also is enrolling producers in the 2021 signup for the Dairy Margin Coverage program until Dec. 11, 2020, with more than 17,000 dairy producers enrolled. Producers who enrolled for DMC coverage in 2019 and 2020 have received more than $500 million in payments. DMC is complemented by RMA's Dairy Revenue Protection, which covers about 30% of milk produced in the U.S. and has paid more than $400 million in payments since 2019. Finally, FSA provided producers with $8.3 billion in interim financing in fiscal 2020 through marketing assistance loans, which help producers meet cash flow needs without having to sell their commodities when market prices are low. In addition, crop insurance administered by RMA enabled producers to better weather this year's many natural disasters. Federal crop insurance provided more than $113 billion in total coverage.
- **Farm Loans:** 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.
- **Conservation:** NRCS worked with producers to voluntarily implement conservation practices on 19.3 million acres of working lands, providing more than $1.8 billion in financial assistance through the Environmental Quality Incentives Program and Conservation Stewardship Program. Additionally, NRCS helped

producers enroll 230,000 acres of new easements into the Agricultural Conservation Easement Program, and FSA helped producers enroll 3.4 million acres in the year's Conservation Reserve Program signup.

More information is available in our agency-specific releases for FSA, NRCS, and RMA. To learn more about available programs, visit farmers.gov or contact your local USDA Service Center.

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, NRCS, 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.

#