



# FACT SHEET

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## Fact Sheet: USDA Expands Its Commitment to New & Beginning Farmers by \$5.6 Billion

Using the recently-launched web tool available at [www.usda.gov/newfarmers](http://www.usda.gov/newfarmers) and other outreach activities, and operating within its existing resources, USDA has set a new goal of increasing beginning farmer and rancher participation by an additional 6.6 percent across key USDA programs, for a total increased investment value of approximately \$5.6 billion. Programs were targeted for expanded outreach and commitment based on their impact on expanding opportunity for new and beginning farmers and ranchers, including starting or expanding an operation, developing new markets, supporting more effective farming and conservation practices, and having access to relevant training and education opportunities. USDA will provide quarterly updates on its progress towards meeting its goal. Investment targets, benchmarks and outcomes are as follows:

Target Measure	Baseline	Current	2016 Target	2017 Target	Outcome of Investment
Increase the percentage of direct and guaranteed loan borrowers who are beginning farmers	<i>Direct</i> 30.5% (2009)	<i>Direct</i> 53.3% (2015 to date)	<i>Direct</i> 56%	<i>Direct</i> 57-60%	USDA is often the lender of first opportunity for new and beginning farmers. A 2% overall increase in USDA’s lending to beginning farmer will result in \$55 million in additional loans and loan guarantees to an estimated 450 family farmers, many of whom would not have been able to access credit elsewhere. This is key, given the fact that 91 million acres land is expected to turn over in the next five years. This investment is also well managed by new and beginning farmers; the delinquency rate for beginning farmers within this program is 1.95%.
	<i>Guaranteed</i> 26.9% (2009)	<i>Guaranteed</i> 34.2% (2015 to date)	<i>Guaranteed</i> 35%	<i>Guaranteed</i> 36-38%	
Increase the number of first time beginning	3.2% (2014)	8.2% (2015 to date)	8.6%	10%	The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of noninsurable crops when low yields, loss of inventory, or prevented planting occurs due to natural

farmer applicants in the Noninsured Crop Disaster Assistance Program					disasters. NAP directly supports the longevity of new and beginning farmers and ranchers operations by creating appropriate and affordable risk management planning tools. For new and beginning farmers, this is a critical and significant farm management practice in helping to grow businesses. USDA estimates 145 new and beginning farmers enrolled in NAP in 2014 and received \$222,000 in payments. <sup>1</sup> There are 739 new and beginning farmers enrolled in NAP for 2015.
Increase the percentage of Environmental Quality Incentives Program Contracts benefitting beginning farmers	10.83% of total contracts	20% of total contracts	24% of total contracts	26-30% of total contracts	The Environmental Quality Incentives Program (EQIP) is an important vehicle for investment in new and beginning farms and ranches, providing financial and technical assistance to agricultural producers in order to address natural resource concerns and deliver environmental benefits such as improved water and air quality, conserved ground and surface water, reduced soil erosion and sedimentation or improved and created wildlife habitat. As one example of this program at work, this program can support hoop houses, which are known to extend a farmer's growing season and increase conservation of water and natural resources.
Increase the percentage of Value-Added Producer Grant awards to beginning farmers	12% (2009)	15% (2015)	17%	25%	Value-Added Producer Grants (VAPG) create the opportunity for new and beginning farmers to add to the value of their raw commodities and diversify market opportunities – directly supporting both opportunity and longevity of new farming operations. This program also supports surrounding communities through jobs created.

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<sup>1</sup>2014 was the first year NAP fees and premium coverage reduction was made available to New and Beginning Farmers.

<p>Increase the total percentage of Farmers Market Promotion Program and Local Food Promotion Program dollars awarded benefitting beginning farmers</p>	<p>N/A</p>	<p><i>FMPP</i> 16% (2014)</p> <p><i>LFPP</i> 18% (2014)</p>	<p><i>FMPP</i> 5%</p> <p><i>LFPP</i> 5%</p>	<p><i>FMPP</i> 10%</p> <p><i>LFPP</i> 10%</p>	<p>This funding directly supports the connection between new farmers and markets – increasing opportunity. Direct marketing has been associated with higher survival rates among certain types of beginning farmers. On average, certain types of beginning farmers who marketed directly to consumers had a 54.3-percent survival rate, compared to 47.4 percent for those who marketed their goods through traditional channels, and also had a greater chance of reporting positive sales 2007-2012—speaking to support for longevity.</p>
<p>Increase the number of beginning farmers who are receiving crop insurance incentives</p>	<p>N/A</p>	<p>13,500, (2015 to date)</p>	<p>14,175 beginning farmers</p>	<p>14,850 beginning farmers</p>	<p>This funding directly supports the longevity of new and beginning farmers and ranchers operations, by creating appropriate and affordable risk management planning tools. The beginning farmer crop insurance incentives make crop insurance more affordable and more effective for beginning farmers, which supports new and beginning farmers in the critical first few years of farming.</p>