

2027 USDA EXPLANATORY NOTES – FARM SERVICE AGENCY

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PREFACE

This publication summarizes the fiscal year (FY) 2027 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the “Budget” is in regard to the 2027 Budget, unless otherwise noted. All references to years refer to fiscal year, except where specifically noted. The budgetary tables throughout this document show actual amounts for 2024 and 2025; Working Families Tax Cut Act; Agriculture, Rural Development, Food and Drug Administration, and Related Agency Appropriations Act, 2026; and the President’s Budget request for 2027. Amounts for 2026 enacted levels include: non-enacted amounts such as Full-Time Equivalent levels, fleet levels, information technology investment levels, recovery levels, transfers in and out, balances available end of year, and obligation levels.

Throughout this publication, the Working Families Tax Cut Act is used to refer to the Public Law 119-21.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2024, 2025, 2026 and 2027.

In tables throughout this document, amounts equal to zero (0) are displayed as dashes (-). Amounts less than 0.5 and greater than zero are rounded and shown as a zero (0). This display treatment is used to prevent the masking of small non-zero amounts that do not round up to one (1). Due to rounding, some tables may not sum exactly.

AGENCY-WIDE**PURPOSE STATEMENT**

The Farm Service Agency (FSA) was established October 13, 1994, pursuant to the Department of Agriculture Reorganization Act of 1994, Public Law (P.L.) 103-354, as amended by the Federal Agriculture Improvement and Reform Act of 1996, P.L. 104-127. FSA’s mission is to deliver timely, effective programs and services to America’s farmers and ranchers to support them in sustaining our Nation’s vibrant agricultural economy. FSA provides personnel to carry out many of the programs funded by the Commodity Credit Corporation (CCC).

FSA delivers its programs through over 2,100 USDA Service Centers, 50 State offices, and an area office in Puerto Rico. FSA has headquarters offices in Washington, DC. Personnel at the Washington headquarters office are responsible for program policy decisions, program design, and program oversight. FSA is part of the Farm Production and Conservation (FPAC) mission area which includes the Natural Resources Conservation Service (NRCS), Risk Management Agency (RMA), and the FPAC Business Center. Additionally, the majority of activities for the CCC are carried out by the personnel and through the facilities of the FSA and the FSA State and county committees. Information regarding CCC activities can be found within the CCC Explanatory Notes.

FSA’s permanent full-time end-of-year Federal (GS) employment as of October 4, 2025, was 2,518. FSA’s permanent full-time end-of-year non-Federal (CO) permanent employment in USDA Service Centers was 6,214. The total number of Federal permanent full-time positions in State offices and USDA Service Centers was 2,285, and the total number Federal and non-Federal permanent full-time positions in USDA Service Centers was 8,732. Headquarters total permanent full-time positions was 233, 75 headquarters office employees in Washington, DC and 158 headquarters office employees stationed in various States. FSA administers programs authorized by the Agriculture Improvement Act of 2018, P.L. 115-334, commonly referred to as the 2018 Farm Bill, and a variety of other laws. Descriptions of the programs administered by FSA and funded by CCC appear in the CCC Explanatory Notes. The following is a summary of FSA’s programs and activities. Additional information regarding these programs can be found in the corresponding accounts.

FSA activities contribute to the success of USDA’s overall mission to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues based on public policy, the best available science, and effective management. USDA is currently developing the 2026 – 2030

Strategic Plan. A detailed 2027 performance plan, including Key Performance Indicators, can be found at <https://www.usda.gov/our-agency/about-usda/performance>.

Agricultural Credit Insurance Fund

Farm Loan Programs:

FSA's farm loan programs provide a safety net for farmers and ranchers temporarily unable to obtain credit from commercial lenders, to finance their operations, at reasonable rates and terms.

Most farm loan programs administered by FSA are authorized by the Consolidated Farm and Rural Development Act, P.L. 87-128, August 8, 1961, as amended. Subtitle A of this act authorizes direct and guaranteed farm ownership and conservation loans. Subtitle B authorizes direct and guaranteed operating loans. Subtitle C authorizes emergency loans. The Agricultural Credit Insurance Fund (ACIF) Program Account was initiated in 1992, as required by the Federal Credit Reform Act of 1990. The account shows the direct loan obligations and guaranteed loan commitments of FSA's farm loan programs and the associated subsidy costs. Subsidy costs are obtained by estimating the net present value of the government's cash flows resulting from direct and guaranteed loans made through this account. The 2018 Farm Bill authorized several changes to farm loan programs administered by FSA, including increased loan limits for direct and guaranteed loans and reauthorizations for other initiatives.

The 2018 Farm Bill also modified the 3-year experience requirement by allowing education as a partial substitute for beginning farmers seeking farm ownership loans; provided equitable relief for producers who received a direct farm ownership, operating, or emergency loans; and made other miscellaneous changes and technical corrections.

FSA launched the Loan Assistance Tool in 2023, an online step-by-step guide that helps farmers and ranchers better navigate the loan application process. FSA subsequently simplified the direct loan application by reducing the number of pages in the application from 29 to 13 cutting the average customer completion time by half. Customers also have the option to complete an electronic fillable form or prepare a traditional, paper application for submission to their local FSA office. In December 2023, FSA launched an online application for direct loan customers with 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.

The Application Fast Track Pilot, launched in 2023 and extended for calendar year 2026, provides an expedited application review. Using economic modeling to assess the probability of default by a borrower, the underwriting process is expedited for applicants identified as least likely to default on their loan. Approximately 23 percent of direct loan borrowers were Fast Tracked and the loan review process was shortened by 7 days for those customers.

A tool for direct loan customers to repay their loans online launched in February 2024 allowing them to make payments 24/7. This loan payment tool enables borrowers to pay their Farm Loan installment online, saving borrowers about 28 minutes and employees about 25 minutes per payment transaction.

Additional information regarding ACIF and its programs can be found in Account 2 of this chapter. The programs funded by this account are the following:

Farm Ownership Loans

FSA makes direct loans and loan guarantees for family farmers to purchase a farm, enlarge an existing farm, construct new farm buildings and/or improve structures, pay closing costs, and promote soil and water conservation and protection.

Ownership loans are made for a term of 40 years or less. A direct loan may not exceed \$600,000 and a guaranteed loan may not exceed \$2,343,000 (adjusted annually for inflation). Effective with the 2008 Farm Bill (P.L. 110-246), interest rates for beginning farmer down-payment loans are established at 4 percentage points less than the regular borrower rate, with a minimum of 1.5

percent. Effective with the 2014 Farm Bill (P.L. 113-79), interest rates for beginning farmer down-payment loans are established at 4 percentage points less than the regular borrower rate, with a minimum of 1.5 percent. Effective with the 2014 Farm Bill (P.L. 113-79), interest rates for joint financing loans (loans made in conjunction with a commercial lender providing at least 50 percent of the credit) are established at 2 percentage points less than the regular borrower rate, but no less than 2.5 percent. The interest rate for guaranteed loans is negotiated by the lender and borrower.

At least 40 percent of the amounts appropriated for guaranteed farm ownership loans will be reserved for beginning farmers and ranchers during the first 6 months of the fiscal year. Also, at least 75 percent of the amount appropriated for direct farm ownership loans will be reserved for qualified beginning farmers and ranchers during the first 11 months of the fiscal year, with 66 percent of that amount set aside for down payment and participation during the first 6 months of the fiscal year. USDA has included appropriations language that would waive the beginning farmer set-aside requirement for 2027.

FSA also offers direct farm ownership microloans with a shortened application process and a maximum loan limit of \$50,000. Like direct operating microloans, these loans are designed to meet the needs of smaller farmers.

Farm Operating Loans

Farm operating loans are targeted to family farmers unable to obtain credit from commercial sources at reasonable rates and terms.

Operating loans may be used to pay normal operating costs, including reorganizing a farm to be more profitable; purchasing livestock, poultry, and farm equipment; purchasing feed, seed, fertilizer, insecticides, and farm supplies and meeting other essential operating expenses; financing land and water development, use, and conservation; and refinancing existing indebtedness. FSA continues to operate the direct operating microloan program. Like direct ownership microloans, these microloans are direct operating loans with a shortened application process and reduced paperwork designed to meet the needs of smaller, non-traditional, and niche-type operations.

Farm operating loans are for periods of 1 to 7 years depending on loan purposes. The loan limit is \$400,000 for a direct loan, \$50,000 for a microloan and \$2,343,000 for a guaranteed loan (adjusted annually for inflation). The interest rate for direct loans is determined by the Secretary of Agriculture and does not exceed the cost of money to the Government plus up to 1 percent. However, loans to limited resource borrowers bear interest of not more than one-half of the Treasury rate for marketable obligations plus not more than 1 percentage point, with a floor of 5 percent. The interest rate for guaranteed loans is negotiated by the lender and borrower and may be subsidized under the interest assistance program (while authorized by statute, funding for interest assistance was last appropriated in 2011).

The Agricultural Credit Improvement Act of 1992, P.L. 102-554, requires at least 50 percent of the amounts available for direct farm operating loans be reserved for qualified beginning farmers and ranchers during the first 11 months of the fiscal year.

Emergency Loans

Emergency loans are made available in designated areas (counties) and in contiguous counties where property damage and/or severe production losses have occurred as a direct result of a natural disaster. Areas may be declared a disaster by the President or designated for emergency loan assistance by the Secretary of Agriculture, or by the FSA Administrator for physical loss loans only.

Emergency loans are made to established, eligible, family-sized farms and ranches (including equine farms and ranches) and aquaculture operators who have suffered a loss in production in a single enterprise that is a basic part of the operation, or a physical loss to livestock, livestock products, real estate, or chattel property. Partnerships and private domestic corporations and cooperatives may also qualify, provided they are primarily engaged in agricultural or aquaculture production and meet all other eligibility criteria. Loans may be made only for actual losses arising from natural disasters. A

farmer who cannot receive credit elsewhere is eligible for an actual loss loan of up to \$500,000 or the calculated actual loss, whichever is less, for each disaster, at an interest rate equal to the lower of the direct operating loan interest rate or 3.75 percent. Loan funds may be used for any authorized farm ownership or operating loan purpose, and for crop and livestock changes necessitated by the disaster.

All emergency loans must be fully collateralized. The specific type of collateral may vary depending on the loan purpose, repayment ability, and the individual circumstances of the applicant. If applicants cannot provide adequate collateral, their repayment may be considered as collateral to secure the loan. Repayment terms also vary according to the purposes of the loan, type of collateral available to secure the loan, and the projected repayment ability of the borrower. Loans for actual production or physical losses to crops, livestock, supplies, and equipment may be scheduled for repayment for up to 7 years. Under some conditions a longer repayment period may be authorized for production loss loans, but not to exceed 20 years. Generally, real estate will be needed as security when a loan term of more than 7 years is authorized. Loss loans for actual losses to real estate will generally be scheduled for repayment within 30 years but under some conditions may be scheduled for up to 40 years. Applications for emergency loans must be received within 8 months of the county's disaster or quarantine designation date.

Dairy Indemnity Program

The Dairy Indemnity Payment Program (DIPP) is available to dairy farmers for milk, or cows producing milk, and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because of the presence of certain chemical or toxic residue in the products. In 2021, the DIPP regulations were amended to add provisions for the indemnification of cows that are likely to be not marketable for longer durations, as a result, for example, of per- and polyfluoroalkyl substances.

State Mediation Grants

Section 502 of the Agricultural Credit Act of 1987, P.L. 100-233, authorized the Secretary of Agriculture to help States develop and operate mediation programs to assist agricultural producers, their creditors, and other persons directly affected by the actions of USDA in resolving disputes confidentially, efficiently, and cost effectively compared to administrative appeals, litigation, and bankruptcy. Under the program, FSA makes grants to States to support mediation programs established under State statute and certified by FSA. Grants can be up to a maximum of \$500,000 annually and must not exceed 70 percent of the State's cost of operating its program for the year.

Originally designed to address farm loan disputes, the program was expanded by the Department of Agriculture Reorganization Act of 1994, P.L. 103-354, to include other USDA program activities and requirements such as wetland determinations, conservation compliance, rural water loan programs, grazing on National Forest System lands, and pesticides. Pursuant to the authority in this statute, the Secretary of Agriculture acted in 2000 to add USDA rural housing and business loans and crop insurance disputes to the list of issues that can be mediated.

The Grain Standards and Warehouse Improvement Act of 2000, P.L. 106-472, clarified that certified State programs can provide mediation training and consulting services to producers, lenders, and USDA agencies within the context of mediation for a specific case. The 2018 Farm Bill further expands the use for State mediation grants to include organic production, lease issues, and credit counseling.

Grassroots Source Water Protection Program

The Grassroots Source Water Protection Program is a joint project by FSA and the nonprofit National Rural Water Association (NRWA) designed to help prevent source water pollution in States through voluntary practices installed by producers and other landowners at the local level. FSA uses onsite technical assistance capabilities of each State rural water association that operates a source water protection program in the State. State rural water associations deliver assistance in developing source water protection plans within watersheds for the common goal of preventing the contamination of drinking water supplies.

Geographically Disadvantaged Farmers

USDA Supplemental Assistance Program (Reimbursement Transportation Cost Payment Program (RTCP) for Geographically Disadvantaged Farmers and Ranchers) provides assistance to geographically disadvantaged farmers and ranchers for a portion of the transportation cost of certain agricultural commodities or inputs.

Emergency Conservation Program (ECP)

ECP is authorized by Title IV of the Agricultural Credit Act of 1978, P.L. 95-334, Section 401 (16 U.S.C. 2201). ECP provides emergency cost share assistance to farmers and ranchers to help rehabilitate farmland and rangeland damaged by natural disasters and to carry out water conservation measures during periods of severe drought. Cost share assistance may be offered only for emergency conservation practices to restore land to a condition similar to that existing prior to the natural disaster.

Emergency Forest Restoration Program (EFRP)

EFRP is authorized by Title IV of the Agricultural Credit Act of 1978, Section 407 (16 U.S.C. 2206). EFRP was established to provide financial and technical assistance to owners of nonindustrial private forest land damaged by natural disaster to carry out emergency measures to restore damaged forests and rehabilitate forest resources. Funding for EFRP is appropriated by Congress and is subject to the availability of funds. County Office Committees (COCs) are authorized to implement EFRP for all disasters except drought and insect infestations, which are authorized at the FSA national office. EFRP program participants may receive financial assistance of up to 75 percent of the cost to implement approved emergency forest restoration practices, as determined by COC. To restore nonindustrial private forest lands, EFRP program participants may implement EFRP practices, including implementing emergency measures necessary to repair damage caused by a natural disaster to natural resources on nonindustrial private forest land, and restoring forest health and forest related resources on the land. Other emergency measures may be authorized by COC, with approval from the State committee and the FSA national office.

A detailed 2027 performance plan, including Key Performance Indicators, can be found at <https://www.usda.gov/our-agency/about-usda/performance>.

OIG AND GAO REPORTS

Table FSA-1. Closed, Implemented OIG Reports

ID	Date Opened	Date Closed	Title	Result
03601-0003-31(1)	3/20/2020	3/18/2025	Market Facilitation Program – Interim Report	Recommendation 2 – OIG recommended that FSA update all relevant forms, handbooks, and notices to implement the requirements of the Departmental regulation for collecting only producer-provided race, ethnicity, and gender information and to allow producers the option of not providing that information. To implement the recommendation, FSA issued notices CM-837 and CM-838, updated form AD-2047, and updated applicable systems accordingly.

ID	Date Opened	Date Closed	Title	Result
03702-0001-23	9/18/2018	11/26/2024	2017 Emergency Assistance for Honeybee Claims	Recommendation 11 – OIG recommended that FSA review identified applications and payments and take appropriate corrective action on questioned costs. To implement the recommendation, FSA took appropriate action to resolve the identified improper program payments.
50601-0003-22	10/2/2014	3/11/2025	Coordination of USDA Farm Program Compliance - FSA, RMA, and NRCS	Recommendation 2 – OIG recommended that FSA, RMA, and NRCS revise their plan regarding when and how ACRSI will be fully implemented to include the ability of producers in all states to report acreage data, geospatial data, and production data for all crops. To implement the recommendation, FSA submitted the revised plan including a timeline with annual review of the ACRSI list of approved crops.
50601-0010-31	4/8/2021	1/23/2025	Beginning Farmers	Recommendation 1 – OIG recommended that the Department develop and implement outcome-based measures to track and report on program performance related to beginning farmer and rancher programs and activities. To implement the recommendation, the Beginning Farmer and Rancher Working Group drafted a strategic plan and developed a tracking and reporting system to evaluate beginning farmer and rancher programs and activities.

Table FSA-2. Closed, Implemented GAO Reports

ID	Date Opened	Date Closed	Title	Result
GAO-21-95	3/28/18	8/15/2025	Farm Programs – USDA Has Improved Its Completion of Eligibility Compliance Reviews, but Additional Oversight is Needed	<p>Recommendation 1 – GAO recommended that FSA improve the accuracy of compliance review tracking system data by establishing controls and including electronic safeguards. To implement the recommendation, FSA developed controls requiring annual entry of compliance reviews in the tracking system and eliminating state offices' ability to further alter compliance review data to ensure all compliance review data are centralized for monitoring review status and tracking trends.</p> <p>Recommendation 2 – GAO recommended that FSA build upon ongoing efforts to improve the monitoring of the compliance review tracking system data by updating the FSA handbook to specify how to periodically run reports on the status and results of compliance reviews, the types of information to examine during these periodic checks on these reviews, and how frequently to perform these checks. To implement the recommendation, FSA updated its handbook to document system features that allow FSA's national program manager and state office specialists to track and analyze compliance reviews' completion, findings, and determinations. The system requires that reviews be completed, and results loaded, by an established deadline. In addition, the system notifies the national program manager when compliance reviews are completed and when responses that require additional follow-up are recorded.</p> <p>Recommendation 3 – GAO recommended that FSA examine compliance review teams' use of interviews of farming operation members and provide additional guidance or training as necessary.</p>

ID	Date Opened	Date Closed	Title	Result
GAO-22-104259	4/27/2020	10/9/2024	USDA Market Facilitation Program: Oversight of Future Supplemental Assistance to Farmers Could Be Improved	<p>To implement the recommendation, FSA provided training to applicable FSA staff explaining that interviews are generally required and when a compliance review team can make an exception.</p> <p>Recommendation 4 – GAO recommended that FSA examine the extent to which compliance review teams documented the reasons for not doing an interview and provide additional guidance or training as necessary. To implement the recommendation, FSA provided training to applicable FSA staff on compliance review teams' use of interviews of farming operation members. FSA added a requirement to its compliance review tracking system to provide justification for every review that a review team elected not to interview the selected participant.</p> <p>Recommendation 5 – GAO recommended that FSA examine compliance review teams' completion of compliance review records and provide additional guidance or training as necessary. To implement the recommendation, FSA provided training to applicable FSA staff that included documentation of compliance review completion and results. The FSA national program manager reviews completed compliance review entries recorded by FSA staff and works to address any concerns or special situations related to completion of reviews.</p> <p>Recommendation 4 – GAO recommended that FSA issue guidance directing the agency to communicate the results of its future compliance reviews of supplemental assistance programs, including a summary of findings and the types of errors found, and identify corrective</p>

ID	Date Opened	Date Closed	Title	Result
GAO-22-104397	8/28/2020	2/8/2025	Coronavirus Food Assistance Program: USDA Should Conduct More Rigorous Reviews of Payments to Producers	actions to be taken. To implement the recommendation, FSA published agency guidance on monitoring compliance over FSA programs, such as spot checks by the FSA program managers to ensure the checks are completed accurately and in a timely manner. The guidance states the results of checks, which include recommendations or corrective actions, are to be communicated to FSA leadership.
GAO-25-107008	9/18/2023	12/3/2024	Farm Loans: Status of USDA Debt Assistance for Distressed Borrowers	The report did not contain any recommendations and was closed.
GAO-25-107174	12/4/2023	12/17/2024	Farm Programs: USDA Financial Assistance to Agricultural Producers for Fiscal Years 2019–2023	The report did not contain any recommendations and was closed.
GAO-25-107561	8/14/2024	9/10/2025	Financial Literacy and Small Business Lending: Resources Available to Military-Affiliated People	The report did not contain any recommendations and was closed.

AVAILABLE FUNDS AND FTEs**Table FSA-3. Available Funds and FTEs (thousands of dollars, FTEs)**

Item	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Salaries and Expenses:								
Discretionary Appropriations	\$1,210,549	8,632	\$1,210,311	8,135	\$1,125,000	7,279	\$953,388	5,992
Offsetting Collections.....	[305,803]	[1,901]	[305,803]	[1,984]	[305,803]	[1,780]	[236,474]	[1,235]
ACIF:								
Discretionary Appropriations								
S&E Transfer	305,803	1,901	305,803	1,984	305,803	1,780	236,474	1,235
Subsidy	53,791	-	53,791	-	33,850	-	30,553	-
Program Loan Cost Expense	20,250	-	20,250	-	20,250	-	16,000	-
Dairy Indemnity Payment								
Program:								
Mandatory Appropriations	2,380	-	217	-	471	-	471	-
State Mediation Grants:								
Discretionary Appropriations ..	6,500	-	6,500	-	6,500	-	-	-
Grassroots Source Water								
Protection Program:								
Discretionary Appropriations ..	7,000	-	7,000	-	7,500	-	-	-
Emergency Conservation								
Program:								
Supplemental Appropriations	-	-	828,000	-	-	-	-	-
Emergency Forest Restoration								
Program:								
Discretionary Appropriations	-	-	356,535	-	-	-	-	-
Geographically Disadvantaged								
Farmers/Ranchers:								
Discretionary Appropriations	3,500	-	3,500	-	3,500	-	-	-
Total Discretionary								
Appropriations	1,607,393	8,632	1,963,690	8,135	1,502,403	7,279	1,236,415	5,992
Total Mandatory Appropriations								
Appropriations	3,380	-	217	-	1,471	-	471	-
Total Supplemental								
Appropriations	-	-	828,000	-	-	-	-	-
Total Offsetting Collections								
Total Adjusted Appropriation	[305,803]	[1,901]	[305,803]	[1,984]	[305,803]	[1,780]	[236,474]	[1,235]
Balance Available, SOY.....	1,610,773	8,632	2,791,907	8,135	1,503,874	7,279	1,236,886	5,992
Rescinded Balances	2,072,158	-	1,046,611	-	1,396,664	-	792,400	-
Recoveries, Other	-	-	-	-	-4,460	-	-95,000	-
Total Available	109,800	-	93,312	-	1,691	-	-	-
Lapsing Balances	3,792,731	8,632	3,931,830	8,135	2,897,769	7,279	1,934,286	5,992
Balance Available, EOY	-39,701	-	-18,538	-	-84	-	-	-
Total Obligations	-1,046,612	-	-1,396,664	-	-792,400	-	-53,263	-
Total Obligations, FSA	2,706,418	8,632	2,516,628	8,135	2,105,285	7,279	1,881,023	5,992
Total, Agriculture Available	2,706,418	8,632	2,516,628	8,135	2,105,285	7,279	1,881,023	5,992
Total, Agriculture Available	3,792,731	8,632	3,931,830	8,135	2,897,769	7,279	1,934,286	5,992
Other Federal Funds:								
Miscellaneous	2,736	-	3,511	-	2,956	-	2,956	-
Rent Reimbursables.....	21	-	-	-	-	-	-	-
FBC Transfer	-	-	3,456	19	4,608	24	-	-
Total, Other Federal	2,757	-	6,967	19	7,564	24	2,956	-
Non-Federal Funds:								
Loan Service Fee Financing..	566	7	550	7	550	7	550	7
Producer Measurement								
Service	849	10	820	10	820	10	820	10
NRCS Operator Applications.	5,702	69	5,502	68	-	-	-	-
Miscellaneous	166	-	150	-	-	-	-	-
Rent Reimbursables.....	379	-	350	-	-	-	-	-
Total, Non-Federal	7,662	86	7,372	85	1,370	17	1,370	17
Total Available, FSA	3,803,149	8,718	3,946,169	8,239	2,906,703	7,320	1,938,612	6,009

PERMANENT POSITIONS BY GRADE AND FTEs¹

Table FSA-4. Permanent Positions by Grade and FTEs

Item	2024 Actual			2025 Actual			2026 Estimated			2027 Estimated		
	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total
SES.....	6	-	6	6	-	6	7	-	7	7	-	7
GS-15.....	30	1	31	34	1	35	34	1	35	34	1	35
GS-14.....	72	2	74	60	45	105	61	49	110	61	49	110
GS-13.....	122	381	503	100	309	409	100	312	412	100	312	412
GS-12.....	53	749	802	39	671	710	39	771	810	39	587	626
GS-11.....	3	506	509	1	482	483	1	482	483	1	382	383
GS-9.....	5	580	585	3	514	517	3	514	517	3	314	317
GS-8.....	-	12	12	-	5	5	-	5	5	-	5	5
GS-7.....	-	292	292	1	157	158	1	157	158	1	155	156
GS-6.....	-	37	37	-	14	14	-	14	14	-	14	14
GS-5.....	-	94	94	-	12	12	-	12	12	-	12	12
GS-4.....	3	90	93	2	47	49	2	47	49	2	47	49
GS-3.....	1	37	38	3	9	12	3	9	12	3	9	12
GS-2.....	2	9	11	-	3	3	-	3	3	-	3	3
Total Permanent ...	297	2,790	3,087	249	2,269	2,518	251	2,376	2,627	251	1,890	2,141
Total Perm. FT EOY .	297	2,790	3,087	249	2,269	2,518	251	2,376	2,627	251	1,890	2,141
FTE	299	2,808	3,107	267	2,850	3,117	238	2,413	2,651	238	2,413	2,651

¹ Total FTEs are all inclusive of workforce categories including temporary positions.

VEHICLE FLEET

Motor Vehicle Fleet

As a field-based agency, FSA has a significant number of employees who require vehicles to visit field offices, job sites (farms and ranches) and other areas where public transportation is non-existent, uneconomical, or inadequate. Driving takes place on major highways, rural roads, and agricultural land and in an assortment of operating conditions.

FSA maintains a fleet of vehicles distributed among service centers and State offices in the 50 States, the Caribbean, and the Pacific Basin areas. The majority of the vehicles are leased through the General Services Administration (GSA).

Replacement Criteria

To ensure that vehicles are safe and reliable, FSA requires annual vehicle inspections. Vehicles are replaced in accordance with the criteria set by the GSA for their leased fleet.

Fleet Optimization

Looking ahead, FSA will continue to optimize its fleet by:

- Maximizing its participation in an existing and successful vehicle-sharing program.
- Continuing to implement and utilize telematics to simplify vehicle usage recording for field staff.
- Using telematics data to determine optimal vehicle inventories for FSA offices.
- Vehicle right-typing, ensuring that the fleet inventory reflects a blend of vehicles that are a proper match to the mission and offer best value back to the Government.

Table FSA -5. Size, Composition, and Annual Costs of Motor Vehicle Fleet²

Item	Sedans and Station Wagons	Vans	SUVs	Light Trucks 4X2	Light Trucks 4X4	Medium Duty Vehicles	Buses	Heavy Duty Vehicles	Total Vehicles	Annual Operating Costs
2018 End of Year Operating Inventory.....	300	20	227	40	80	1	-	2	670	\$3,486,000
2024 End of Year Operating Inventory.....	164	16	342	20	96	-	-	-	638	\$4,540,909
2025 Actual Acquisitions	6	1	1	-	3	-	-	-	11	
2025 Actual Disposals	6	1	6	1	4	-	-	-	18	
2025 End of Year Operating Inventory.....	164	16	337	19	95	-	-	-	631	\$4,807,848
2026 Planned Acquisitions.....	67	4	60	6	23	-	-	-	160	
2026 Planned Disposals	67	4	60	6	23	-	-	-	160	
2026 End of Year Operating Inventory.....	164	16	337	19	95	-	-	-	631	\$5,288,633
2027 Planned Acquisitions.....	26	1	91	8	20	-	-	-	146	
2027 Planned Disposals	26	1	91	8	20	-	-	-	631	
2027 End of Year Operating Inventory.....	164	16	337	19	95	-	-	-	631	\$5,817,496

Table FSA-6. Statement of Proposed Acquisition of Passenger Motor Vehicles

Fiscal Year	Net Active Fleet, SOY	Disposals	Replacements	Additions	Total Acquisitions	Net Active Fleet, EOY
2024	693	24	3	36	39	708
2025	708	-	10	12	22	730
2026	730	96	15	30	45	679
2027	679	115	90	21	111	675

² Number of vehicles by type include vehicles owned by the agency and leased from commercial sources or GSA. Annual Operating Costs exclude acquisition costs and gains from sale of vehicles as shown in FAST.

SHARED FUNDING PROJECTS

Table FSA-7. Shared Funding Projects (thousands of dollars)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Working Capital Fund:				
Administrative Services:				
AskUSDA Contact Center	\$439	\$422	-	-
General Counsel Legal Compliance.....	-	76	\$1,019	\$1,019
Human Res. Enterprise System Mgt.	1,427	1,516	1,503	1,535
Integrated Procurement Systems.....	218	192	148	148
Mail and Reproduction Management Division ...	932	871	763	747
Material Management Service Center	120	158	132	133
Personnel and Document Security Program	553	229	220	-
Procurement Operations Division	1,703	1,584	1,137	1,137
Subtotal	5,392	5,048	4,922	4,719
Communications:				
Creative Media & Broadcast Center	460	414	299	301
Finance and Management:				
Financial Shared Services	10,429	10,501	8,471	8,492
Internal Control Support Services	300	271	270	269
National Finance Center.....	4,637	4,615	3,989	3,989
Subtotal	15,366	15,387	12,730	12,750
Information Technology:				
Client Experience Center	80,039	62,405	46,786	44,295
Depart. Admin. Infor. Technology Office	161	282	218	-
Digital Infrastructure Services Center	26,940	25,301	23,931	24,151
Enterprise Cybersecurity Services	6,667	7,055	7,485	7,485
Enterprise Data and Analytics Services	13,426	11,931	13,285	13,466
Enterprise Network Services	13,825	35,766	18,313	18,313
Subtotal	141,058	142,740	110,018	107,710
Correspondence Management Services:				
Office of the Executive Secretariat	531	452	316	316
Total, Working Capital Fund	162,807	164,041	128,285	125,796
Department-Wide Shared Cost Programs:				
Agency Partnership Outreach	706	751	397	418
America’s Agricultural Heritage.....	-	-	62	48
Diversity, Equity, Inclusion, and Accessibility ..	251	57	-	-
Employee Experience	357	290	31	-
Intertribal Technical Assistance Network	344	-	-	-
Medical Service	15	-	-	-
NCR Interpreting Services.....	31	34	35	35
OCFO Shared Services Branch.....	-	-	70	126
Office of Customer Experience.....	288	146	11	-
Physical Security	452	610	283	286
Security Detail	514	822	1,689	1,710
Security Operations	717	713	771	771
Talent Group.....	319	349	40	-
TARGET Center	156	167	132	132
Total, Department-Wide Reimbursable Programs	4,150	3,939	3,521	3,526
Agency Total	166,957	167,980	131,806	129,322

ACCOUNT 1: SALARIES AND EXPENSES

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

Salaries and Expenses

For necessary expenses of the Farm Service Agency, [~~\$1,125,000,000~~, of which not less than \$15,000,000 shall be for the hiring of new employees to fill vacancies and anticipated vacancies at Farm Service Agency county offices and farm loan officers and shall be available until September 30, 2027]\$953,388,000: *Provided*, That the [agency shall submit a report by the end of the fourth quarter of fiscal year 2026 to the Committees on Appropriations of both Houses of Congress that identifies for each project/investment that is operational (a) current performance against key indicators of customer satisfaction, (b) current performance of service level agreements or other technical metrics, (c) current performance against a pre-established cost baseline, (d) a detailed breakdown of current and planned spending on operational enhancements or upgrades, and (e) an assessment of whether the investment continues to meet business needs as intended as well as alternatives to the investment: *Provided further*, That the]Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: *Provided further*, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: *Provided further*, That of the amount appropriated under this heading, [~~\$696,594,000~~]\$640,167,000 shall be made available to county offices, to remain available until expended: *Provided further*, That, notwithstanding the preceding proviso, any funds made available to county offices in the current fiscal year that the Administrator of the Farm Service Agency deems to exceed or not meet the amount needed for the county offices may be transferred to or from the Farm Service Agency for necessary expenses[: *Provided further*, That none of the funds available for any department or agency in this or any other appropriations Acts, including prior year Acts, shall be used to close Farm Service Agency county offices: *Provided further*, That none of the funds available in this or any other Act, including prior year Acts, shall be used to permanently relocate county based employees that would result in an office with two or fewer employees without prior notification and approval of the Committees on Appropriations of both Houses of Congress].

Change Description

The first change (lines 1 through 4) is a funding change from the 2026 Enacted to 2027 requested funding level.

The second change (lines 4 through 11) is a change in reporting requirements in 2027.

The third change (line 15) is a funding change from the 2026 Enacted to the 2027 requested funding level.

The fourth change (lines 20 through 25) removes the requirement that funds may not be used to relocate employees.

LEAD-OFF TABULAR STATEMENT

Table FSA-8. Lead-Off Tabular Statement (in dollars)

Item	Amount
Estimate, 2026	\$1,125,000,000
Change in Appropriation	<u>-171,612,000</u>
Budget Estimate, 2027	<u><u>953,388,000</u></u>

2027 USDA EXPLANATORY NOTES – FARM SERVICE AGENCY

PROJECT STATEMENTS

Table FSA-9. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)

Item	2024 Actual	FTEs	2025 Actual	FTEs	2026 Estimated	FTEs	2027 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.	Chg Key
Discretionary Approp:											
Salaries and Expenses.....	\$1,209,307	8,632	\$1,209,307	8,135	\$1,125,000	7,279	\$953,388	5,992	-\$171,612	-1,287	(1)
ACIF Transfer	-	-	-	-	-	-	-	-	-	-	-
Margin Protection Program Fees	1,242	-	1,004	-	-	-	-	-	-	-	-
Subtotal Disc. Approps	1,210,549	8,632	1,210,311	8,135	1,125,000	7,279	953,388	5,992	-171,612	-1,287	
Offsetting Collections:											
ACIF Transfer	305,803	1,901	305,803	1,984	305,803	1,780	236,474	1,235	-69,329	-545	
Subtotal Off. Collections.....	305,803	1,901	305,803	1,984	305,803	1,780	236,474	1,235	-69,329	-545	
Total Adjusted Approp.....	1,516,352	10,533	1,516,114	10,119	1,430,803	9,059	1,189,862	7,227	-240,941	-1,832	
Add back:											
Transfers In and Out, Rescissions....	-307,045	-1,901	-306,807	-1,984	-305,803	-1,780	-236,474	-1,235	+69,329	+545	
Total Appropriation	1,209,307	8,632	1,209,307	8,135	1,125,000	7,279	953,388	5,992	-171,612	-1,287	
Transfers In:											
ACIF Transfer	305,803	1,901	305,803	1,984	305,803	1,780	236,474	1,235	-69,329	-545	
Margin Protection Program Fees	1,242	-	1,004	-	-	-	-	-	-	-	
Total Transfers In	307,045	1,901	306,807	1,984	305,803	1,780	236,474	1,235	-69,329	-545	
Recoveries, Other	12,674	-	983	-	-	-	-	-	-	-	
Bal. Available, SOY.....	99,353	-	80,493	-	40,590	-	-	-	-40,590	-	
Total Available	1,628,379	10,533	1,597,590	10,119	1,471,393	9,059	1,189,862	7,227	-281,531	-1,832	
Lapsing Balances	-5,000	-	-5,000	-	-	-	-	-	-	-	
Bal. Available, EOY.....	-80,493	-	-40,590	-	-	-	-	-	-	-	
Total Obligations	1,542,886	10,533	1,552,000	10,119	1,471,393	9,059	1,189,862	7,227	-281,531	1,832	

2027 USDA EXPLANATORY NOTES – FARM SERVICE AGENCY

Table FSA-10. Project Statement on Basis of Obligation (thousands of dollars, FTEs)

Item	2024		2025		2026		2027		Inc. or Dec.	FTE Inc. or Dec.
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs		
Discretionary Obligations:										
Salaries and Expenses.....	\$1,231,201	8,536	\$1,254,996	8,135	\$1,165,590	7,279	\$953,388	5,992	-\$212,202	-1,287
Margin Protection Program Fees.....	1,242	-	1,004	-	-	-	-	-	-	-
Subtotal Disc Obligations.....	1,232,443	8,536	1,256,000	8,135	1,165,590	7,279	953,388	5,992	-212,202	1,287
Offsetting Collections:										
ACIF Transfer.....	310,443	1,997	296,000	1,984	305,803	1,780	236,474	1,235	-69,329	-545
Subtotal Offsetting Collections.....	310,443	1,997	296,000	1,984	305,803	1,780	236,474	1,235	-69,329	-545
Total Obligations.....	1,542,886	10,533	1,552,000	10,119	1,471,393	9,059	1,189,862	7,227	-281,531	-1,832
Add back:										
Lapsing Balances.....	5,000	-	5,000	-	-	-	-	-	-	-
Total Bal. Available, EOY.....	80,493	-	40,590	-	-	-	-	-	-	-
Total Available.....	1,628,379	10,533	1,597,590	10,119	1,471,393	9,059	1,189,862	7,227	-281,531	-1,832
Less:										
Total Transfers In.....	-307,045	-1,901	-306,807	-1,984	-305,803	-1,780	-236,474	-1,235	+69,329	+545
Recoveries, Other.....	-12,674	-	-983	-	-	-	-	-	-	-
Bal. Available, SOY.....	-99,353	-	-80,493	-	-40,590	-	-	-	+40,590	-
Total Appropriation.....	1,209,307	8,632	1,209,307	8,135	1,125,000	7,279	953,388	5,992	-171,612	1,287

JUSTIFICATION OF CHANGES

A decrease of \$240,941,000 in Salaries and Expenses and 1,832 FTEs (\$1,125,000,000 and 7,279 FTEs direct and \$305,803,000 and 1,780 FTEs for ACIF available in 2026):

- (1) A net decrease of \$105,600,000 for Federal Direct Offices and 527 FTEs (\$36,271,000 for Direct and \$69,329,000 for ACIF).

The funding change is requested for the following items:

- A) Salary and benefits reductions of \$62.7 million: FSA Offices will reduce federal staff from 2,627 to 2,141 totaling \$62.7 million. In pursuit of streamlining workforce efforts, facilities, and other government efficiencies, FSA will continue to meet its objective to deliver timely, effective programs and services to America’s farmers and ranchers to support them in sustaining our Nation’s vibrant agricultural economy and delivering loan making and loan servicing benefits directly to farmers and ranchers. FSA will meet programmatic and statutory requirements.
- B) Information Technology reductions of \$41.68 million: FSA will continue basic operations while improving customer and employee experiences. Additionally, FSA will enhance existing technology systems supporting farm programs, including farm loans, to improve functionality, expand automation, streamline program participation, and better serve farmers and ranchers. Replacement of hardware, software, and out-of-warranty, and broken devices, will be completed as necessary. FSA will continue to serve producers and support ad-hoc programs in a timely manner, including providing timely responses to natural disasters and other Presidential Congressional mandates.
- C) A decrease of \$1.22 million for National Security Related Expenses being transferred to the Office of Homeland Security (\$1.22 million available in 2026). The decrease in funds for National Security Related Expenses, being realigned to the Office of Homeland Security (OHS), will enhance efficiency and effectiveness within USDA. This strategic realignment will centralize resources under OHS, which provides leadership in national security through policy development, emergency preparedness and response initiatives, and threat mitigation coordination. Consolidating the budget under OHS eliminates redundancies, ensures more coordinated resource allocation, and improves the execution of departmental security policies, ultimately bolstering the USDA’s resilience and readiness without compromising overall security.

- (2) A decrease of \$135,341,000 for Non-Federal Offices and 1,305 FTEs.

FSA County office will reduce staff from 6,432 to 5,086 totaling \$135.3 million. FSA will continue to meet its objective to deliver timely, effective programs and services to America’s farmers and ranchers to support them in sustaining our Nation’s vibrant agricultural economy. Although there will be a reduced staffing level, FSA will prioritize the mission, which is necessary to ensure continued service to America’s farmers and ranchers.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs

Table FSA-11. Geographic Breakdown of Obligations and FTEs (thousands of dollars, FTEs)

State/Territory/Country	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Alabama	\$20,539	192	\$20,660	184	\$19,587	165	\$15,840	131
Alaska	1,330	8	1,338	8	1,268	7	1,026	6
Arizona	4,947	44	4,976	43	4,718	38	3,815	31
Arkansas	26,667	262	26,824	252	25,431	225	20,565	180
California	17,799	152	17,904	146	16,974	131	13,727	104
Caribbean.....	6,263	45	6,300	44	5,973	39	4,830	31
Colorado	15,215	142	15,305	137	14,510	122	11,734	98
Connecticut	2,409	21	2,423	20	2,297	18	1,858	14
Delaware.....	2,054	18	2,066	18	1,959	16	1,584	13
District of Columbia	453,047	219	455,723	210	432,054	188	349,386	150
Florida	11,484	104	11,552	100	10,952	89	8,856	71
Georgia.....	31,667	298	31,854	286	30,200	256	24,421	204
Hawaii	4,302	31	4,328	30	4,103	27	3,318	21
Idaho	14,031	129	14,114	124	13,381	111	10,821	89

2027 USDA EXPLANATORY NOTES – FARM SERVICE AGENCY

State/Territory/Country	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Illinois	52,271	522	52,579	501	49,849	449	40,311	358
Indiana	36,039	348	36,252	334	34,369	299	27,793	239
Iowa.....	60,360	614	60,716	590	57,563	528	46,549	421
Kansas.....	49,900	493	50,195	474	47,588	424	38,483	338
Kentucky.....	35,078	335	35,286	322	33,453	288	27,052	230
Louisiana.....	18,792	177	18,903	170	17,921	152	14,492	121
Maine	6,158	53	6,194	51	5,873	46	4,749	37
Maryland.....	7,257	68	7,300	66	6,921	59	5,597	47
Massachusetts	3,971	31	3,994	30	3,787	27	3,062	21
Michigan	25,426	249	25,576	240	24,248	214	19,608	171
Minnesota	43,554	423	43,811	406	41,535	364	33,588	290
Mississippi	26,090	244	26,244	234	24,881	209	20,120	167
Missouri	45,162	429	45,428	412	43,069	369	34,828	294
Montana.....	23,850	220	23,991	211	22,745	189	18,393	151
Nebraska.....	44,772	437	45,037	420	42,698	376	34,528	300
Nevada	4,077	24	4,101	23	3,888	21	3,144	17
New Hampshire.....	2,640	21	2,655	20	2,517	18	2,036	14
New Jersey.....	4,341	35	4,367	34	4,140	30	3,348	24
New Mexico	8,514	72	8,564	69	8,119	62	6,566	49
New York	18,458	183	18,567	176	17,603	157	14,235	125
North Carolina.....	34,480	327	34,684	314	32,882	281	26,591	224
North Dakota	31,573	304	31,759	293	30,110	262	24,349	209
Ohio	32,271	310	32,462	298	30,776	267	24,887	213
Oklahoma.....	35,547	340	35,757	326	33,900	292	27,414	233
Oregon	10,599	97	10,661	94	10,108	84	8,174	67
Pennsylvania	18,980	179	19,092	172	18,100	154	14,637	123
Rhode Island	1,190	9	1,197	8	1,135	8	918	6
South Carolina	15,604	148	15,697	142	14,881	127	12,034	101
South Dakota.....	35,928	342	36,140	329	34,263	294	27,708	235
Tennessee.....	27,265	250	27,426	241	26,001	215	21,026	172
Texas	74,295	685	74,734	658	70,853	589	57,296	470
Utah.....	9,007	75	9,061	72	8,590	64	6,946	51
Vermont.....	4,603	39	4,630	37	4,389	33	3,549	27
Virginia	21,035	187	21,159	179	20,060	160	16,222	128
Washington	11,253	109	11,319	105	10,731	94	8,678	75
West Virginia	10,156	86	10,216	83	9,685	74	7,832	59
Wisconsin.....	33,075	335	33,270	322	31,542	288	25,507	230
Wyoming.....	7,562	68	7,607	66	7,212	59	5,832	47
Obligations	1,542,886	10,533	1,552,000	10,119	1,471,393	9,059	1,189,862	7,227
Lapsing Balances.....	5,000	-	5,000	-	-	-	-	-
Bal. Available, EOY	80,493	-	40,590	-	-	-	-	-
Total, Available.....	1,628,379	10,533	1,597,590	10,119	1,471,393	9,059	1,189,862	7,227

OBJECT CLASSIFICATION

Table FSA-12. Classification of Objects - Discretionary Funding (thousands of dollars)³

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Personnel Compensation:					
	Washington D.C.	\$46,139	\$51,978	\$28,696	\$33,793
	Personnel Compensation, Field	235,546	244,378	222,421	175,688
11	Total personnel compensation	281,685	296,356	251,117	209,481
12	Personal benefits	120,602	125,441	113,087	87,896
13.0	Benefits for former personnel	154	161	-	-
	Total, personnel comp. and benefits	402,441	421,958	364,204	297,377
Other Objects:					
21.0	Travel and transportation of persons	10,058	6,061	5,000	3,000
22.0	Transportation of things	201	109	127	109
23.1	Rental payments to GSA	13,299	11,776	11,776	9,776
23.2	Rental payments to others	781	22,528	22,528	20,528
23.3	Communications, utilities, and misc. charges	7,346	5,522	2,415	-
24.0	Printing and reproduction	1,761	1,449	1,449	-
25	Other contractual services	-	-	-	-
25.1	Advisory and assistance services	38,233	84,600	15,348	-
25.2	Other services from non-Federal sources	-	3,430	-	-
25.3	Other goods and services from Federal sources	292,679	204,962	271,361	218,105
25.4	Operation and maintenance of facilities	-	36	-	-
25.5	Research and development contracts	-	9	-	-
25.6	Medical care	-	-	-	-
25.7	Operation and maintenance of equipment	-	173	-	-
25.8	Subsistence and support of persons	-	-	-	-
26.0	Supplies and materials	1,852	1,780	881	400
31.0	Equipment	922	5,450	839	400
32.0	Land and structures	-	139	-	-
33.0	Investments and loans	-	-	-	-
41.0	Grants, subsidies, and contributions	771,945	781,867	775,465	640,167
42.0	Insurance Claims and Indemnities	1,305	151	-	-
43.0	Interest and Dividends	63	-	-	-
	Total, Other Objects	1,140,445	1,130,042	1,107,189	892,485
99.9	Total, new obligations	1,542,886	1,552,000	1,471,393	1,189,862
	DHS Building Security Payments (included in 25.3)	\$1,927	\$1,933	\$2,074	\$2,074
Position Data:					
	Average Salary (dollars), ES Position	\$149,593	\$153,782	\$159,510	\$159,510
	Average Salary (dollars), GS Position	\$63,618	\$65,400	\$67,231	\$67,231
	Average Grade, GS Position	12.3	12.3	12.5	12.5

³ This table does not match MAX Schedule O due to reimbursables.

ACCOUNT 2: AGRICULTURE CREDIT INSURANCE PROGRAM

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

For gross obligations for the principal amount of direct and guaranteed farm ownership (7 U.S.C. 1922 et seq.) and operating (7 U.S.C. 1941 et seq.) loans, and emergency loans (7 U.S.C. 1961 et seq.), [Indian tribe land acquisition loans (25 U.S.C. 5136), boll weevil loans (7 U.S.C. 1989), guaranteed conservation loans (7 U.S.C. 1924 et seq.),] to be available from funds in the Agricultural Credit Insurance Fund, as follows: [~~\$3,500,000,000~~]\$4,663,756,000 for guaranteed farm ownership loans and [~~\$2,580,000,000~~]\$1,241,992,000 for farm ownership direct loans; \$2,000,000,000 for unsubsidized guaranteed operating loans and \$1,633,000,000 for direct operating loans; [emergency loans, \$14,388,000; Indian tribe land acquisition loans, \$20,000,000; guaranteed conservation loans, \$150,000,000; and for boll weevil eradication program loans, \$60,000,000: *Provided*, That the Secretary shall deem the pink bollworm to be a boll weevil for the purpose of boll weevil eradication program loans.] notwithstanding section 346(b)(2)(A)(i)(I) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2)(A)(i)(I)).

For the cost of farm ownership direct [and guaranteed] loans[and grants], including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, [as follows: \$1,000,000 for emergency loans, to remain available until expended; \$32,766,000 for farm ownership direct loans, and \$84,000 for boll weevil eradication program loans]\$30,553,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, [~~\$326,053,000~~]\$252,474,000: *Provided*, That of this amount, [~~\$305,803,000~~]\$236,474,000 shall be paid to the appropriation for "Farm Service Agency, Salaries and Expenses".

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership, operating, conservation, and emergency direct loans and loan guarantees may be transferred among these programs: *Provided*, That the Committees on Appropriations of both Houses of Congress are notified at least 15 days in advance of any transfer.

Change Description

The first change (lines 2 through 4 of paragraph 1) deletes the statutory citation for loan categories that are not requested in the budget.

The second change (lines 8 and 9 of paragraph 1) incorporates language to allow flexibility in the use of funds for beginning versus non-beginning farmers

The third change (lines 9 through 12 of paragraph 2) deletes language for loan categories that are not requested in the budget.

The fourth change (lines 15 through 17 of paragraph 3) deletes language for subsidy budget authority not requested in the budget.

LEAD-OFF TABULAR STATEMENT

Table FSA-13. Lead-Off Tabular Statement (in dollars)

Item	Loan Level	Subsidy	Administrative Expenses
Estimate, 2026	\$9,957,388,000	\$33,850,000	\$326,053,000
Change in Appropriation.....	-418,640,000	-3,297,000	-73,579,000
Budget Estimate, 2027	<u>9,538,748,000</u>	<u>30,553,000</u>	<u>252,474,000</u>

2027 USDA EXPLANATORY NOTES – FARM SERVICE AGENCY

PROJECT STATEMENTS

Table FSA-14. Project Statement on Basis of Appropriations (thousands of dollars)

Item	2024		2025		2026		2027		PL Inc. or Dec.	Chg Key	BA Inc. or Dec.	Chg Key
	Actual	BA	Actual	BA	Actual	BA	Estimated	BA				
Discretionary Approp:												
Direct Farm Ownership	\$3,100,000	-	\$2,578,667	\$50,284	\$2,580,000	\$32,766	\$1,241,992	\$30,553	-\$1,338,008	(1)	-\$2,213	(7)
Direct Farm Operating	1,539,470	\$26,017	1,633,000	-	1,633,000	-	1,633,000	-	-	-	-	-
Emergency	34,927	3,252	30,129	3,507	14,388	1,000	-	-	-14,388	(2)	-1,000	(7)
Indian Land Acquisition	20,000	-	20,000	-	20,000	-	-	-	-20,000	(3)	-	-
Boll Weevil Eradication	60,000	258	-	-	60,000	84	-	-	-60,000	(4)	-84	(7)
Indian Highly Fractionated Land	5,000	1,577	-	-	-	-	-	-	-	-	-	-
Heir's Property Relending Program ..	61,426	19,368	-	-	-	-	-	-	-	-	-	-
Direct Conservation	-	-	-	-	-	-	-	-	-	-	-	-
Guaranteed Farm Ownership	3,500,000	-	3,500,000	-	3,500,000	-	4,663,756	-	+1,163,756	(5)	-	-
Guaranteed Farm Operating	2,101,305	1,471	2,118,491	-	2,000,000	-	2,000,000	-	-	-	-	-
Guaranteed Conservation	150,000	-	150,000	-	150,000	-	-	-	-150,000	(6)	-	-
Program Loan Cost Expense	-	20,250	-	20,250	-	20,250	-	16,000	-	-	-4,250	(8)
Salaries and Expenses	-	305,803	-	305,803	-	305,803	-	236,474	-	-	-69,329	(9)
Loan Modification Costs	-	1,848	-	-	-	-	-	-	-	-	-	-
Subtotal	10,572,128	379,844	10,030,287	379,844	9,957,388	359,903	9,538,748	283,027	-418,640		-76,876	
Total Adjusted Approp	10,572,128	379,844	10,030,287	379,844	9,957,388	359,903	9,538,748	283,027	-418,640		-76,876	
Add back:												
Transfers In and Out, Rescissions	113,456	-	-	-	-	-	-	-	-	-	-	-
Total Appropriation	10,685,584	379,844	10,030,287	379,844	9,957,388	359,903	9,538,748	283,027	-418,640		-76,876	
Transfers In:												
ACIF Modification Costs	-	1,848	-	-	-	-	-	-	-	-	-	-
Total Transfers In	-	1,848	-	-	-	-	-	-	-	-	-	-
Transfers Out:												
Direct Farm Operating	-93,530	-1,581	-	-	-	-	-	-	-	-	-	-
Emergency	-2,740	-255	-	-	-	-	-	-	-	-	-	-
Guaranteed Farm Operating	-17,186	-12	-	-	-	-	-	-	-	-	-	-
Total Transfers Out	-113,456	-1,848	-	-	-	-	-	-	-	-	-	-
Recoveries, Other	31,907	14,214	35,852	35,568	-	-	-78,668	-95,000	-78,668		-95,000	
Rescinded Balances	-	-	-	-	-	-	-	-	-	-	-	-
Bal. Available, SOY	1,265,313	1,079,269	243,650	207,524	248,095	154,428	207,010	151,953	-41,085		-2,475	
Total Available	11,869,348	1,473,327	10,309,789	622,936	10,205,483	514,331	9,667,090	339,980	-538,393		-174,351	
Lapsing Balances	-5,151,570	-34,046	-3,281,563	-12,667	-230,000	-84	-	-	+230,000		+84	
Bal. Available, EOY	-470,843	-207,525	-195,900	-154,428	-212,483	-151,953	-78,342	-53,263	+134,141		+98,690	
Total Obligations	6,246,935	1,231,756	6,832,326	455,841	9,763,000	362,294	9,588,748	286,717	-174,252		-75,577	

2027 USDA EXPLANATORY NOTES – FARM SERVICE AGENCY

Table FSA-15. Project Statement on Basis of Obligations (thousands of dollars)⁴

Item	2024	2024	2025	2025	2026	2026	2027	2027	PL Inc. or Dec.	BA Inc. or Dec.
	Actual PL	Actual BA	Actual PL	Actual BA	Estimated PL	Estimated BA	Estimated PL	Estimated BA		
Discretionary Obligations:										
Direct Farm Ownership	\$2,058,640	-	\$2,326,243	\$45,362	\$2,580,000	\$32,766	\$1,241,992	\$30,553	-\$1,338,008	-\$2,213
Direct Farm Operating	1,074,633	\$18,161	1,250,276	-	1,633,000	-	1,633,000	-	-	-
Emergency	8,457	787	26,005	3,027	50,000	3,475	50,000	3,690	-	+215
Guaranteed Farm Ownership	1,485,765	-	2,094,913	-	3,500,000	-	4,663,756	-	-	-
Guaranteed Farm Operating	766,593	537	1,047,163	-	2,000,000	-	2,000,000	-	-	-
Guaranteed Conservation	-	-	-	-	-	-	-	-	-	-
Program Loan Cost Expense	-	16,197	-	12,505	-	20,250	-	16,000	-	-4,250
Salaries and Expenses	-	305,803	-	305,803	-	305,803	-	236,474	-	-69,329
Loan Modification Costs.....	-	1,848	-	-	-	-	-	-	-	-
Subtotal Disc oblig.....	5,394,088	343,333	6,744,600	366,697	9,763,000	362,294	9,588,748	286,717	-1,338,008	-75,577
Mandatory Obligations:										
Assistance to Farm Loan Borrowers ...	852,847	852,847	87,726	87,726	-	-	-	-	-	-
IRA Modification Costs	-	35,523	-	1,407	-	-	-	-	-	-
IRA Administrative Expenses	-	53	-	11	-	-	-	-	-	-
Subtotal Mand Oblig.....	852,847	888,423	87,726	89,144	-	-	-	-	-	-
Total Obligations	6,246,935	1,231,756	6,832,326	455,841	9,763,000	362,294	9,588,748	286,717	-1,338,008	-75,577
Add back:										
Lapsing Balances.....	5,151,570	34,046	3,281,563	12,667	230,000	84	-	-	+933,756	-84
Balances Available, EOY:										
Direct Operating.....	129,773	2,193	-	2,220	-	2,220	-	2,220	-	-
Direct Emergency	91,110	8,483	77,345	9,003	93,928	6,528	38,455	2,838	-55,473	-3,690
Guaranteed Farm Operating	53,148	37	-	37	-	37	-	37	-	-
Assistance to Farm Loan Borrowers ...	196,812	196,812	118,555	143,168	118,555	143,168	39,887	48,168	-78,668	-95,000
Total Bal. Available, EOY	470,843	207,525	195,900	154,428	212,483	151,953	78,342	53,263	-134,141	-98,690
Total Available	11,869,348	1,473,327	10,309,789	622,936	10,205,483	514,331	9,667,090	339,980	-538,393	-174,351
Less:										
Total Transfers In.....	-	-1,848	-	-	-	-	-	-	-	-
Total Transfers Out	113,456	1,848	-	-	-	-	-	-	-	-
Recoveries, Other.....	-31,907	-14,214	-35,852	-35,568	-	-	-	-	-	-
Rescinded Balances	-	-	-	-	-	-	78,668	95,000	+78,668	+95,000
Bal. Available, SOY.....	-1,265,313	-1,079,269	-243,650	-207,524	-248,095	-154,428	-207,010	-151,953	+41,085	+2,475
Total Appropriation	10,685,584	379,844	10,030,287	379,844	9,957,388	359,903	9,538,748	283,027	-418,640	-76,876

⁴ This table does not match MAX Schedule X due to reimbursables.

JUSTIFICATION OF CHANGES

The farm loan programs serve as an important safety net for America’s farmers by providing a source of credit if they are temporarily unable to obtain credit from commercial sources. Demand for the Farm Loan Programs (FLPs) remains high. The demand is cyclical based on economic conditions, disasters, the input costs, and the interest rate environment. The increased cost of fertilizer and rising interest rates lead to reduced profit margins and are projected to result in an increase in demand for FLPs. To meet the anticipated demand for farm credit, the Budget supports over \$9.5 billion in farm loans.

- (1) A decrease of \$1,338,008,000 for Direct Farm Ownership loans (\$2,580,000,000 available in 2026).
A decrease of \$1,338,008,000 for direct farm ownership loans is necessary due to an increased subsidy rate in 2027, which results in lower available program level relative to available budget authority. The subsidy rate changed due to increases in interest rates that in turn drive increases in the usage of down payment and participation loans, which have lower borrower interest rates than regular farm ownership loans. The increase in over \$1 billion in guaranteed farm ownership loans is expected to absorb some of this demand, making the requested direct farm ownership loan level reasonable to meet demand in 2027.
- (2) A decrease of \$14,388,000 for Emergency loans (\$14,388,000 available in 2026).
The elimination of funding for emergency loans in the Budget reflects the Department’s plan for this program to operate using nearly \$3.7 million of the expected \$6.5 million in carryover budget authority, which will provide an estimated loan level of \$50 million. At that level, FSA will have more than enough emergency farm loan level to meet the expected demand in 2027.
- (3) A decrease of \$20,000,000 in Indian Tribe Land Acquisition loans (\$20,000,000 available in 2026).
This program is not included in the 2027 budget as there has been no demand for it in years.
- (4) A decrease of \$60,000 in Boll Weevil Eradication Loans (\$60,000,000 available in 2026).
This program is not included in the 2027 budget as there has been no demand for it in years.
- (5) An increase of \$1,163,756,000 in Guaranteed Farm Ownership loans (\$3,500,000,000 available in 2026).
FSA plans to focus its energies on shifting where we can new farm ownership borrowers to the guaranteed farm ownership program. As part of that, the 2027 Budget provides an increase in the guaranteed program for a \$4.66 billion loan level. This increase and FSA outreach efforts are expected to be a counter balance to the decrease in direct farm ownership loans. This change will allow FSA to maximize its efficient use of taxpayer dollars when providing farm loan assistance.
- (6) A decrease of \$150,000,000 in guaranteed conservation loans (\$150,000,000 available in 2026).
This program is not included in the 2027 budget as there has been no demand for this program since 2011.
- (7) A decrease of \$2,213,000 in subsidy for Direct Farm Ownership loans (\$32,766,000 available in 2026).
The decrease in subsidy for direct farm ownership loans is due to limitations on the amount of resources available, the increased cost of the program, and the effort that FSA is planning to make to shift some of the demand for farm ownership loans to guarantees in 2027, which has an increased loan level.
- (8) A decrease of \$1,000,000 for subsidy for Emergency loans (\$1,000,000 available in 2026).

The decrease in subsidy is due to the fact that this program is expected to have \$6.5 million in carryover funding, which is more than enough to provide the expected demand for emergency farm loans. Additional funding is not needed.

- (9) A decrease of \$84,000 for subsidy for Boll Weevil Eradication loans (\$84,000 available in 2026).
This program is not included in the 2027 budget as there has been no demand for this program in years.
- (10) A decrease of \$4,250,000 in Program Loan Cost Expense (PLCE) funding (\$20,250,000 available in 2026).
The decrease in PLCE funding is anticipated to be sufficient to fund non-recoverable costs associated with making the loans given FSA's ongoing efforts to re-vamp business processes and make policy improvements to lower traditional costs.
- (11) A decrease of \$69,329,000 for administrative expenses (\$305,803,000 available in 2025).
The language explaining this decrease is provided under Account 1, Salaries and Expenses. The reduction reflects anticipated business process and policy improvements, which is expected to reduce the FLPs administrative costs overall.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table FSA-16. Geographic Breakdown of Obligations for Direct Farm Ownership Loans (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$7,326	\$8,621	\$9,561	\$4,603
Alaska	205	1,759	1,951	939
Arizona	6,840	17,670	19,598	9,434
Arkansas.....	55,053	83,491	92,599	44,576
California	17,190	28,660	31,786	15,302
Colorado	22,125	23,227	25,761	12,401
Connecticut.....	1,650	1,209	1,341	646
Delaware	2,001	975	1,081	520
Florida	4,179	4,979	5,522	2,658
Georgia.....	26,651	33,534	37,192	17,904
Guam	-	81	90	43
Hawaii	17,279	10,432	11,570	5,570
Idaho	19,902	16,909	18,754	9,028
Illinois	123,547	153,994	170,792	82,218
Indiana	67,091	61,043	67,702	32,591
Iowa.....	231,307	251,242	278,649	134,140
Kansas.....	176,206	194,812	216,063	104,011
Kentucky	57,735	66,293	73,525	35,394
Louisiana	4,672	1,586	1,759	847
Maine	817	3,203	3,552	1,710
Maryland.....	6,026	4,577	5,076	2,444
Massachusetts	3,160	1,509	1,674	806
Michigan	36,507	30,829	34,192	16,460
Minnesota	118,546	125,956	139,696	67,249
Mississippi.....	2,340	4,293	4,761	2,292
Missouri	95,565	97,041	107,627	51,811
Montana	18,493	22,773	25,257	12,159
Nebraska	123,445	120,458	133,598	64,313
Nevada	1,115	3,359	3,725	1,793
New Hampshire	316	800	887	427
New Jersey.....	961	2,361	2,619	1,261
New Mexico.....	25,066	28,223	31,302	15,069
New York	15,528	17,638	19,562	9,417
North Carolina	17,812	26,117	28,966	13,944
North Dakota.....	73,670	83,442	92,544	44,550

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Ohio	46,085	60,472	67,069	32,286
Oklahoma	199,251	237,655	263,579	126,885
Oregon	20,325	18,128	20,105	9,678
Pennsylvania	50,361	59,121	65,570	31,565
Puerto Rico.....	1,987	1,769	1,962	944
Rhode Island	225	300	333	160
South Carolina.....	10,415	10,770	11,945	5,750
South Dakota	89,936	103,758	115,076	55,397
Tennessee.....	19,256	41,946	46,522	22,395
Texas	61,783	72,769	80,707	38,852
Utah.....	14,549	10,503	11,649	5,608
Vermont	4,317	1,773	1,966	946
Virginia	35,441	31,788	35,256	16,972
Washington	15,867	20,912	23,193	11,165
West Virginia.....	15,035	16,932	18,779	9,040
Wisconsin.....	82,573	86,717	96,176	46,298
Wyoming	10,908	17,834	19,779	9,521
Obligations	2,058,640	2,326,243	2,580,000	1,241,992
Lapsing Balances.....	1,041,360	252,424	-	-
Total, Available	3,100,000	2,578,667	2,580,000	1,241,992

Table FSA-17. Geographic Breakdown of Obligations for Direct Farm Operating Loans (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$2,619	\$6,554	\$8,560	\$8,560
Alaska	39	102	133	133
Arizona	10,328	16,483	21,529	21,529
Arkansas.....	48,077	57,369	74,930	74,930
California	16,501	21,062	27,509	27,509
Colorado	10,388	11,409	14,901	14,901
Connecticut.....	3,549	1,637	2,138	2,138
Delaware	185	90	118	118
Florida	3,485	2,859	3,734	3,734
Georgia.....	40,816	41,002	53,553	53,553
Guam	87	112	146	146
Hawaii	4,914	4,354	5,687	5,687
Idaho	15,990	16,370	21,381	21,381
Illinois	13,793	11,670	15,242	15,242
Indiana.....	9,307	8,443	11,028	11,028
Iowa.....	75,114	96,266	125,735	125,735
Kansas.....	71,694	100,525	131,298	131,298
Kentucky	34,038	43,175	56,391	56,391
Louisiana	18,767	21,932	28,646	28,646
Maine	6,171	6,167	8,055	8,055
Maryland.....	2,269	3,314	4,328	4,328
Massachusetts	1,069	1,717	2,243	2,243
Michigan	14,260	13,692	17,883	17,883
Minnesota	49,364	56,442	73,720	73,720
Mississippi.....	7,988	9,274	12,113	12,113
Missouri	16,896	22,078	28,836	28,836
Montana	26,528	28,938	37,796	37,796
Nebraska	87,859	106,174	138,676	138,676
Nevada	1,645	1,371	1,791	1,791
New Hampshire	412	302	394	394
New Jersey.....	1,403	1,660	2,168	2,168
New Mexico.....	14,564	15,901	20,768	20,768
New York	10,862	11,663	15,233	15,233

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
North Carolina	23,008	26,776	34,972	34,972
North Dakota	46,696	47,091	61,506	61,506
Ohio	5,603	9,996	13,056	13,056
Oklahoma	77,644	94,671	123,651	123,651
Oregon	14,187	14,917	19,483	19,483
Pennsylvania	27,582	33,058	43,177	43,177
Puerto Rico.....	1,171	329	430	430
Rhode Island	578	362	473	473
South Carolina.....	16,033	14,301	18,679	18,679
South Dakota	56,459	60,194	78,620	78,620
Tennessee.....	19,317	26,760	34,952	34,952
Texas	57,774	63,864	83,414	83,414
Utah	14,933	12,242	15,989	15,989
Vermont	1,721	2,154	2,813	2,813
Virginia	11,227	14,052	18,353	18,353
Washington	26,378	26,061	34,039	34,039
West Virginia	11,800	12,959	16,926	16,926
Wisconsin.....	34,398	39,598	51,719	51,719
Wyoming	7,143	10,784	14,085	14,085
Obligations	1,074,633	1,250,276	1,633,000	1,633,000
Lapsing Balances.....	464,837	382,724	-	-
Bal. Available, EOY	129,773	-	-	-
Total, Available	1,669,243	1,633,000	1,633,000	1,633,000

Table FSA-18. Geographic Breakdown of Obligations for Direct Emergency Loans (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Arkansas.....	-	\$252	\$485	\$485
California	\$344	470	904	904
Connecticut.....	372	-	-	-
Florida	-	1,500	2,884	2,884
Georgia.....	1,549	4,003	7,697	7,697
Illinois	-	19	37	37
Iowa.....	-	63	121	121
Kansas.....	57	7	13	13
Louisiana	3,113	630	1,211	1,211
Maine	500	-	-	-
Maryland.....	86	-	-	-
Michigan	715	-	-	-
Minnesota	184	1,079	2,075	2,075
Missouri	-	44	85	85
Montana	-	2,444	4,699	4,699
Nebraska	-	115	221	221
New Jersey.....	-	69	133	133
New Mexico.....	-	100	192	192
New York	235	-	-	-
North Carolina	-	5,292	10,175	10,175
North Dakota.....	-	101	194	194
Ohio	-	179	344	344
Oklahoma	-	558	1,073	1,073
Pennsylvania	150	1,093	2,102	2,102
South Carolina.....	-	5,301	10,192	10,192
South Dakota	-	91	175	175
Tennessee.....	-	279	536	536
Texas	683	346	665	665
Vermont	29	-	-	-
Virginia	-	361	694	694

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Washington	-	1,175	2,259	2,259
Wisconsin.....	440	434	834	834
Obligations	8,457	26,005	50,000	50,000
Bal. Available, EOY	91,110	77,345	93,928	38,455
Total, Available	99,567	103,350	143,928	88,455

Table FSA-19. Geographic Breakdown of Obligations for Guaranteed Farm Ownership Loans (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$37,529	\$57,734	\$96,457	128,529
Alaska	-	1,297	2,167	2,888
Arizona	9,327	27,735	46,337	61,744
Arkansas.....	107,444	181,524	303,272	404,110
California	19,167	34,062	56,908	75,830
Colorado	5,352	9,424	15,745	20,980
Connecticut.....	2,860	3,135	5,238	6,980
Delaware	1,681	4,654	7,776	10,362
Florida	8,084	8,073	13,488	17,973
Georgia.....	44,036	75,710	126,490	168,548
Hawaii	12,300	5,296	8,848	11,790
Idaho	14,559	10,850	18,127	24,154
Illinois	97,197	123,006	205,508	273,840
Indiana	51,593	58,898	98,402	131,121
Iowa.....	73,243	97,488	162,875	217,031
Kansas.....	41,612	53,109	88,730	118,233
Kentucky	58,325	112,617	188,151	250,712
Louisiana	6,095	8,611	14,387	19,171
Maine	780	1,720	2,874	3,830
Maryland.....	7,353	5,471	9,140	12,179
Massachusetts	600	1,961	3,276	4,365
Michigan	37,056	42,849	71,588	95,391
Minnesota	116,331	130,687	218,341	290,940
Mississippi.....	30,393	48,033	80,249	106,932
Missouri	108,038	171,211	286,045	381,155
Montana	18,835	18,478	30,871	41,136
Nebraska	31,217	47,028	78,570	104,695
Nevada	4,211	8,498	14,198	18,919
New Hampshire	2,366	-	-	-
New Jersey.....	3,700	1,530	2,556	3,406
New Mexico.....	7,090	9,520	15,905	21,193
New York	32,585	41,586	69,478	92,580
North Carolina	44,499	42,434	70,895	94,468
North Dakota.....	20,263	30,561	51,059	68,036
Ohio	129,022	168,154	280,937	374,349
Oklahoma	40,265	74,865	125,078	166,667
Oregon	5,095	9,441	15,773	21,018
Pennsylvania	4,192	9,777	16,335	21,766
Puerto Rico.....	1,519	1,312	2,192	2,921
Rhode Island	-	371	620	826
South Carolina.....	8,787	17,449	29,152	38,845
South Dakota	40,819	46,937	78,418	104,492
Tennessee.....	17,912	60,032	100,296	133,645
Texas	25,252	34,026	56,848	75,750
Utah	16,427	9,598	16,036	21,368
Vermont	4,278	2,789	4,660	6,209

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Virginia	10,332	19,382	32,382	43,149
Washington	2,647	8,462	14,138	18,839
West Virginia	1,954	700	1,169	1,558
Wisconsin.....	111,148	153,187	255,932	341,030
Wyoming	10,395	3,641	6,083	8,106
Obligations	1,485,765	2,094,913	3,500,000	4,663,756
Lapsing Balances.....	2,014,235	1,405,087	-	-
Total, Available	3,500,000	3,500,000	3,500,000	4,663,756

Table FSA-17. Geographic Breakdown of Obligations for Guaranteed Farm Operating Loans (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$5,458	\$1,966	\$3,755	\$3,755
Arizona	1,742	2,980	5,692	5,692
Arkansas.....	60,299	88,301	168,649	168,649
California	25,381	25,052	47,847	47,847
Colorado	4,547	8,970	17,132	17,132
Connecticut.....	305	800	1,528	1,528
Delaware	-	1,850	3,533	3,533
Florida	12,551	7,809	14,915	14,915
Georgia.....	44,714	48,353	92,350	92,350
Idaho	30,057	35,578	67,951	67,951
Illinois	11,792	23,249	44,404	44,404
Indiana	12,260	30,564	58,375	58,375
Iowa.....	40,015	68,700	131,212	131,212
Kansas.....	31,241	34,788	66,442	66,442
Kentucky	5,563	13,239	25,285	25,285
Louisiana	68,657	82,602	157,763	157,763
Maine	400	-	-	-
Maryland.....	500	300	573	573
Massachusetts	420	2,282	4,358	4,358
Michigan	14,329	12,744	24,340	24,340
Minnesota	42,261	63,389	121,068	121,068
Mississippi.....	7,064	12,190	23,282	23,282
Missouri	26,810	40,688	77,711	77,711
Montana	14,180	14,801	28,269	28,269
Nebraska	17,503	32,983	62,995	62,995
Nevada	270	331	632	632
New Hampshire	-	350	668	668
New Jersey.....	1,020	180	344	344
New Mexico.....	3,161	3,000	5,730	5,730
New York	10,548	19,122	36,522	36,522
North Carolina	12,743	14,592	27,870	27,870
North Dakota.....	48,395	88,143	168,346	168,346
Ohio	7,236	11,913	22,753	22,753
Oklahoma	32,382	41,545	79,348	79,348
Oregon	4,441	9,796	18,710	18,710
Pennsylvania	4,581	3,745	7,153	7,153
Puerto Rico.....	365	41	78	78
South Carolina.....	6,596	14,043	26,821	26,821
South Dakota	13,156	16,416	31,353	31,353
Tennessee.....	10,511	24,390	46,583	46,583
Texas	60,216	57,307	109,452	109,452
Utah.....	5,345	2,982	5,695	5,695
Vermont	980	1,417	2,706	2,706
Virginia.....	15,858	9,379	17,913	17,913
Washington	29,783	39,652	75,732	75,732

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
West Virginia	1,250	866	1,654	1,654
Wisconsin.....	16,878	25,915	49,496	49,496
Wyoming	2,829	7,860	15,012	15,012
Obligations	766,593	1,047,163	2,000,000	2,000,000
Lapsing Balances.....	1,334,712	1,071,328	-	-
Bal. Available, EOY.....	53,148	-	-	-
Total, Available	2,154,453	2,118,491	2,000,000	2,000,000

OBJECT CLASSIFICATION

Table FSA-18. Classification by Objects - Discretionary Funding (thousands of dollars)

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Other Objects:					
	Other goods and services from Federal				
25.3	Sources	\$305,803	\$305,803	\$305,803	\$236,474
41.0	Grants, subsidies, and contributions	37,530	60,894	56,491	50,243
	Total, Other Objects.....	343,333	366,697	362,294	286,717
99.9	Total, new obligations	343,333	366,697	362,294	286,717

Table FSA-19. Classification by Objects - Mandatory Funding (thousands of dollars)

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Other Objects:					
41.0	Grants, subsidies, and contributions	\$888,423	\$89,144	-	-
	Total, Other Objects	888,423	89,144	-	-
99.9	Total, new obligations	888,423	89,144	-	-

STATUS OF PROGRAMS**Current Activities**

Through the Agricultural Credit Insurance Fund (ACIF), FSA offers direct and guaranteed loans to farmers temporarily unable to obtain commercial credit. Under the guaranteed loan program, FSA guarantees up to 95 percent of the principal amount of loans made by conventional agricultural lenders. Applicants unable to qualify for a guaranteed loan may be eligible for a direct loan made and serviced by FSA farm loan program staff, who also provide loan supervision and basic financial counseling.

Farm Ownership Loans

FSA makes direct and guaranteed loans to family farmers to purchase a farm, enlarge an existing farm, construct new farm buildings and/or improve structures, pay closing costs, and promote soil and water conservation and protection.

Farm Operating Loans

Direct and guaranteed operating loans may be made to pay costs incidental to reorganizing a farming system for more profitable operations; purchasing livestock, poultry, and farm equipment; purchasing feed, seed, fertilizer, insecticides, and farm supplies and meeting other essential operating expenses; financing land and water development, use, and conservation; and refinancing existing indebtedness.

Emergency Loans

Direct loans are made available in disaster-declared counties and contiguous counties where property damage or severe production losses have occurred as a result of natural disaster.

Selected Examples of Recent Progress

Direct and guaranteed loan programs provided assistance totaling \$3.5 billion to beginning farmers during 2025, of which \$2.5 billion was in the farm ownership loan program and \$1.0 billion was in the farm operating loan program. Loans to historically underserved farmers totaled \$1.4 billion, of which \$938 million was in the farm ownership loan program and \$420 million was in the farm operating loan program.

Lending to beginning farmers improved during 2025. FSA provided 27,516 loans or loan guarantees in 2025, 15,552 of which were to beginning farmers. Outreach efforts by FSA field offices to promote and inform beginning and historically underserved farmers about available FSA programs have resulted in stable lending to these groups in the last few years.

The amount of direct and guaranteed operating and ownership loan assistance provided in 2025 increased by \$1.3 billion compared to 2024. Loan assistance provided to beginning and historically underserved farmers increased in 2025 compared to 2024 and continues a strong presence in lending to these underserved groups as a percentage of total assistance provided. Since 2024, the amount of beginning farmer assistance increased by 17 percent and the amount of historically underserved assistance increased by 21 percent.

2025 Actual Agricultural Credit Insurance Fund Loans and Obligations

NOTE: In the following charts, while loans made are subsets of the total, any one loan could be counted in more than one category so that the grand total does not equal the sum of the subtotals. For example, a direct farm ownership historically underserved farmer (borrower) could also be a beginning farmer and would be included in both categories; however, this would only count as one loan in the grand total.

Table FSA-20. Total Direct and Guaranteed Loans (number of loans, percent change)

Item	2024	2025	Change
Direct Farm Ownership	6,985	7,887	13%
Guaranteed Farm Ownership	2,635	3,267	24%
Ownership Subtotal	9,620	11,154	16%
Direct Operating	12,998	14,171	9%
Guaranteed Operating	1,894	2,291	21%
Operating Subtotal	14,892	16,462	11%
Emergency	43	177	312%
Grand Total Number of Loans	24,555	27,793	13%

Table FSA-21. Total Direct and Guaranteed Loans (thousands of dollars, percent change)

Item	2024	2025	Change
Direct Farm Ownership	\$2,058,640	\$2,326,243	13%
Guaranteed Farm Ownership	1,485,765	2,094,913	41%
Ownership Subtotal	3,544,405	4,421,155	25%
Direct Operating	1,074,633	1,250,276	16%
Guaranteed Operating	766,593	1,047,163	37%
Operating Subtotal	1,841,226	2,297,439	25%
Emergency	8,457	26,005	207%
Grand Total Dollar Value of Loans	5,394,088	6,744,599	25%

Table FSA-22. Total Beginning Farmer Loans (number of loans, percent change)

Item	2024	2025	Change
Direct Farm Ownership	4,621	5,158	12%
Guaranteed Farm Ownership	1,543	1,775	15%
Ownership Subtotal	6,164	6,933	12%
Direct Operating	7,783	7,844	1%
Guaranteed Operating	756	775	3%
Operating Subtotal	8,539	8,619	1%
Grand Total Number of Loans	14,703	15,552	6%

Table FSA-23. Beginning Farmer Loans (thousands of dollars, percent change)

Item	2024	2025	Change
Direct Farm Ownership	\$1,329,366	\$1,473,339	11%
Guaranteed Farm Ownership	751,743	1,036,256	38%
Ownership Subtotal	2,081,109	2,509,595	21%
Direct Operating	679,348	738,187	9%
Guaranteed Operating	251,987	278,056	10%
Operating Subtotal	931,335	1,016,243	9%
Grand Total Dollar Value of Loans	3,012,444	3,525,838	17%

Table FSA-24. Socially Disadvantaged Farmer Loans (number of loans, percent change)

Item	2024	2025	Change
Direct Farm Ownership	1,464	1,600	9%
Guaranteed Farm Ownership.....	470	528	12%
Ownership Subtotal.....	1,934	2,128	10%
Direct Operating	3,948	4,269	8%
Guaranteed Operating	290	275	-5%
Operating Subtotal.....	4,238	4,544	7%
Grand Total Number of Loans	6,172	6,672	8%

Table FSA-25. Socially Disadvantaged Farmer Loans (thousands of dollars, percent change)

Item	2024	2025	Change
Direct Farm Ownership	\$410,558	\$479,485	17%
Guaranteed Farm Ownership.....	334,157	459,147	37%
Ownership Subtotal.....	744,715	938,632	26%
Direct Operating	264,311	284,961	8%
Guaranteed Operating	117,731	134,612	14%
Operating Subtotal.....	382,042	419,573	10%
Grand Total Dollar Value of Loans	1,126,757	1,358,205	21%

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ACCOUNT 3: DAIRY INDEMNITY PROGRAM

APPROPRIATIONS LANGUAGE

The appropriations language follows:

Dairy Indemnity Payment Program

For necessary expenses involved in making indemnity payments to dairy farmers and manufacturers of dairy products under a dairy indemnity program, such sums as may be necessary, to remain available until expended: Provided, that such program is carried out by the Secretary in the same manner as the dairy indemnity program described in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106- 387, 114 Stat. 1549A-12).

LEAD-OFF TABULAR STATEMENT

Table FSA-26. Lead-Off Tabular Statement (in dollars)

Item	Amount
Estimate, 2026	\$500,000
Change in Appropriation	-
Budget Estimate, 2027	<u>500,000</u>

PROJECT STATEMENTS

Table FSA-27. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Mandatory Appropriation:					
DIPP	\$2,380	\$943	\$471	\$471	-
Subtotal	<u>2,380</u>	<u>943</u>	<u>471</u>	<u>471</u>	-
Total Adjusted Appropriation.....	2,380	943	471		-
Add back:					
Sequestration	188	57	29	29	-
Total Appropriation	<u>2,568</u>	<u>1,000</u>	<u>500</u>	<u>500</u>	-
Sequestration	-188	-57	-29	-29	-
Total Available	<u>2,380</u>	<u>943</u>	<u>471</u>	<u>471</u>	-
Total Obligations	<u>2,380</u>	<u>372</u>	<u>471</u>	<u>471</u>	-

Table FSA-28. Project Statement on Basis of Obligations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Mandatory Obligations:					
Dairy Indemnity	\$2,380	\$372	\$471	\$471	-
Subtotal Mand Obligations	<u>2,380</u>	<u>372</u>	<u>471</u>	<u>471</u>	-
Total Obligations	2,380	372	471	471	-
Less:					
Sequestration	188	57	29	29	-
Recoveries, Other	-	-	-	-	-
Total Appropriation	<u>2,568</u>	<u>1,000</u>	<u>500</u>	<u>500</u>	-

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table FSA-29. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	-	\$242	-	-
Georgia	-	40	-	-
Illinois.....	\$25	-	-	-
Maine	-	-	-	-
Missouri	155	-	-	-
New Mexico.....	2,099	-	-	-

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Texas	1,987	90	-	-
Distribution Unknown	-	-	\$471	\$471
Obligations.....	2,380	372	471	471

OBJECT CLASSIFICATION

Table FSA-30. Classification by Objects (thousands of dollars)

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Other Objects:					
41.0	Grants, subsidies, and contributions	\$2,380	\$372	\$471	\$471
	Total, Other Objects	2,380	372	471	471
99.9	Total, new obligations	2,380	372	471	471

STATUS OF PROGRAMS

The Dairy Indemnity Payment Program (DIPP), managed by the FSA serves as a vital financial safety net for dairy producers facing losses due to milk or cow contamination from chemical substances. This program alleviates the financial strain on producers unable to market their contaminated milk or may provide indemnification of contaminated cows, enabling them to recover and sustain their operations during these challenging incidents.

The DIPP is essential for protecting the livelihoods of dairy producers by providing financial assistance during contamination events and environmental crises. It not only facilitates immediate recovery but also enhances resilience within the dairy industry, ensuring that producers can continue contributing to the nation’s food supply even in difficult times.

Current Activities

During 2025, the DIPP demonstrated its role in supporting dairy producers. In total, five dairy farmers across three states filed thirteen claims for approximately \$395,000. The 2025 DIPP payments were for aflatoxin contaminations that occurred due to unstable weather conditions, which contributed to a naturally occurring toxin that can inadvertently affect feed grain quality.

The total outlays for the program, which encompass both current and prior year obligations for 2025, exceeded \$386,000. Since the inception of the DIPP in 1965, cumulative payments to dairy farmers have amounted to over \$48 million, underscoring the program's long-standing commitment to supporting the dairy industry during times of crisis.

Table FSA-31. 2025 Obligations and Outlays by State (in dollars)

State	Obligations	Outlays
Alabama	\$242,064.81	\$242,064.81
Georgia.....	\$40,014.36	\$40,014.36
Texas	\$89,893.38	\$104,538.10
Total.....	371,972.55	386,617.27

Table FSA-32. Payments and Number of Payees 1965-2025 (in dollars)

Fiscal Years	Payments to Dairy Farmers	Payments to Manufacturers	Total Payments	Number of Payees
1965 to 2011	\$21,133,792	\$3,911,439	\$25,045,231	41,495
2012.....	273,724	-	273,724	32
2013.....	917,615	-	917,615	158
2014.....	1,073,364	-	1,073,364	43
2015.....	383,711	-	383,711	26
2016.....	238,717	-	238,717	29
2017.....	217,760	-	217,760	18
2018.....	165,444	-	165,444	16
2019.....	4,136,820	-	4,136,820	16
2020.....	5,662,350	-	5,662,350	20
2021.....	2,460,095	-	2,460,095	23
2022.....	4,752,693	-	4,752,693	16
2023.....	558,189	-	558,189	16
2024.....	2,011,497	-	2,011,497	8
2025.....	386,617	-	386,617	5
Total	44,372,388	3,911,439	48,283,827	41,921

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ACCOUNT 4: STATE MEDIATION GRANTS

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

State Mediation Grants

[For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101–5106), \$6,500,000: *Provided*, That the Secretary of Agriculture may determine that United States territories and Federally recognized Indian tribes are “States” for the purposes of Subtitle A of such Act].

Change Description

This change (line -1-5 of paragraph 1) deletes language for the State Mediation Grants, funding for State Mediation Grants is not being requested in 2027.

LEAD-OFF TABULAR STATEMENT

Table FSA-33. Lead-Off Tabular Statement (in dollars)

Item	Amount
Estimate, 2026	\$6,500,000
Change in Appropriation	-6,500,000
Budget Estimate, 2027.....	-

PROJECT STATEMENTS

Table FSA-34. Project Statement on Basis of Appropriations (thousands of dollars)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.	Chg Key
Discretionary Approp:						
State Mediation Grants	\$6,500	\$6,500	\$6,500	-	-\$6,500	(1)
Total Appropriation.....	6,500	6,500	6,500	-	-6,500	
Total Available	6,500	6,500	6,500	-	-6,500	
Lapsing Balances						
Total Obligations	-655	-871	-	-	-	
Total Obligations	5,845	5,629	6,500	-	-6,500	

Table FSA-35. Project Statement on Basis of Obligations (thousands of dollars)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Discretionary Obligations:					
State Mediation Grants	\$5,845	\$5,629	\$6,500	-	-\$6,500
Subtotal Disc Obligations.....	5,845	5,629	6,500	-	-6,500
Total Obligations	5,845	5,629	6,500	-	-6,500
Add back:					
Lapsing Balances.....	655	871	-	-	-
Total Appropriation.....	6,500	6,500	6,500	-	-6,500

JUSTIFICATION OF CHANGES

Funding is not requested for State Mediation Grants, the \$6.5 million in historical funding is not critical, as there are affordable alternative dispute resolution options through the private sector, which, by definition, effectively resolve disputes within a participant’s financial means, providing a low-cost alternative to appeals and expensive litigation.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table FSA-36. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$71	\$70	\$71	-

2027 USDA EXPLANATORY NOTES - FARM SERVICE AGENCY

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alaska	106	-	112	-
Arkansas.....	61	60	65	-
California	244	-	244	-
Colorado.....	141	144	68	-
Connecticut.....	92	94	95	-
Delaware	65	42	44	-
Florida	22	-	96	-
Georgia	18	47	70	-
Hawaii	100	-	100	-
Idaho	107	-	113	-
Illinois.....	202	254	196	-
Indiana.....	217	219	221	-
Iowa	385	384	385	-
Kansas	424	428	509	-
Louisiana	24	-	70	-
Kentucky	0	9	11	-
Maine	202	215	245	-
Maryland	72	79	126	-
Massachusetts.....	67	78	88	-
Michigan	81	49	101	-
Minnesota.....	246	239	396	-
Mississippi.....	95	70	33	-
Missouri.....	10	-	22	-
Montana	10	50	4	-
Nebraska	169	108	170	-
New Hampshire.....	102	-	102	-
New Jersey	27	26	35	-
New Mexico.....	122	136	129	-
New York.....	500	402	501	-
North Carolina	81	159	90	-
North Dakota.....	55	66	34	-
Ohio.....	146	25	145	-
Oklahoma.....	217	216	217	-
Oregon.....	91	90	91	-
Pennsylvania	43	114	62	-
Rhode Island.....	100	103	104	-
South Dakota	97	102	140	-
Texas	236	231	155	-
Utah.....	3	2	3	-
Vermont	209	654	209	-
Virginia.....	70	-	87	-
Washington.....	111	336	113	-
Wisconsin	249	253	213	-
Wyoming.....	83	75	97	-
Distribution Unknown	72	-	318	-
Obligations.....	5,845	5,629	6,500	-
Lapsing Balances	655	871	-	-
Total, Available	6,500	6,500	6,500	-

OBJECT CLASSIFICATION

Table FSA-37. Classification by Objects (thousands of dollars)

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Other Objects:					
41.0	Grants, subsidies, and contributions.....	\$5,845	\$5,629	\$6,500	-
	Total, Other Objects.....	5,845	5,629	6,500	-
99.9	Total, new obligations	5,845	5,629	6,500	-

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STATUS OF PROGRAMS

The FSA allocates funding for State-designated mediation programs through the State Mediation Grants Program. In Fiscal Year (FY) 2025, the program reported a total over 3,000 covered cases. Covered cases are authorized by governing statutes and the Secretary of Agriculture. The following matters fall under this designation: (1) agricultural credit, including both private lenders and FSA direct and guaranteed loans; (2) NRCS wetland determinations; (3) compliance with farm programs, including conservation initiatives; (4) rural water loan programs; (5) grazing on National Forest System lands; (6) USDA-related pesticide issues; (7) USDA Rural Development housing loans; (8) USDA Rural Development business loans; and (9) USDA Risk Management Agency crop insurance matters.

Current Activities

The 2018 Farm Bill broadened the scope of issues eligible for mediation. Expanded topics now include Credit Counseling, Family Farm Transition, Leases (Land and Equipment), Farmer/Neighbor Disputes, National Organics, and other matters deemed appropriate by the Secretary or the head of the Department of Agriculture in each participating State to better serve the agricultural community and eligible mediation participants.

For 2025, there were 6,760 requests for Credit Counseling, 448 cases of Family Farm Transition mediations, 94 Land Lease mediations, 17 Equipment Lease mediations, 116 Farmer/Neighbor disputes, 14 Organic mediations, and 198 cases involving other issues.

As in previous years, agricultural credit (from both private lenders and FSA) was the most frequently mediated issue, accounting for 3,442 cases, or over 78% of the total caseload. FSA Farm Loan Programs followed with 277 cases, then FSA Farm Programs with 81 cases, and NRCS with 31 cases. Other categories included Rural Development Housing issues (54 cases), Forest Service (1 case), Risk Management Agency (7 cases), and Rural Development Business Loans (15 cases). Additionally, there were 3,172 cases classified as non-FSA AgCredit and 414 cases categorized as Other. Other covered issues reported for 2025 included categories ranging from Seed Disputes, Irrigation Disputes, Herbicide issues, Contract, Mental Health, Labor, Ag Business, and Human Resources.

Table FSA-38. Program Results Comparison

Item	2024	2025
Program Results Comparison-2024 and 2025		
Number of cases for which mediation was requested.....	3,475 ⁵	4,392
Mediation not completed in initial FY, and carried over to next FY.....	409 ⁶	733
No mediation held (request withdrawn, settled prior to mediation, etc.).....	1,320 ⁷	1,929
Mediated.....	2,526 ⁸	3,376
Cases resolved with agreement.....	1,896 ⁹	2,546
Cases closed with no agreement.....	407 ¹⁰	332
Average cost per case.....	73	77

⁵ 2024: 1,243 cases from Minnesota (mandatory mediation) vs. 2025: 2,184 (mandatory mediation).

⁶ 2024: 266 cases from Minnesota (mandatory mediation) vs. 2025: 437 cases (mandatory mediation).

⁷ 2024: 562 cases from Minnesota (mandatory mediation) vs. 2025: 992 cases (mandatory mediation).

⁸ 2024: 1,243 cases from Minnesota (mandatory mediation) vs. 2025: 2,184 cases (mandatory mediation).

⁹ 2024: 870 cases from Minnesota (mandatory mediation) vs. 2025: 1,523 cases (mandatory mediation).

¹⁰ 2024: 107 cases from Minnesota (mandatory mediation) vs. 2025: 190 cases (mandatory mediation).

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ACCOUNT 5: GRASSROOTS SOURCE WATER PROTECTION

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

Grassroots Source Water Protection

[For necessary expenses to carry out wellhead or groundwater protection activities under section 12400 of the Food Security Act of 1985 (16 U.S.C. 3839bb-2), \$7,500,000, to remain available until expended.]

Change Description

The first change (line -1- of paragraph 1) deletes language for the Grassroots Source Water Protection, as funding is not being requested in 2027.

LEAD-OFF TABULAR STATEMENT

Table FSA-39. Lead-Off Tabular Statement (in dollars)

Item	Amount
Enacted, 2026	\$7,500,000
Change in Appropriation	-7,500,000
Budget Estimate, 2027	-

PROJECT STATEMENTS

Table FSA-40. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.	Chg Key
Discretionary Appropriations:						
GSWPP	\$7,000	\$7,000	\$7,500	-	-\$7,500	(1)
Subtotal	7,000	7,000	7,500	-	-7,500	
Mandatory Appropriations:						
NET from CCC	1,000	-	1,000	-	1,000	
Subtotal	8,000	7,000	8,500	-	-8,500	
Total Adjusted Approp	8,000	7,000	8,500	-	-8,500	
Add back:						
Transfers In and Out, Rescissions.....	-1,000	-	-	-	-	
Total Appropriation.....	7,000	7,000	8,500	-	-8,500	
Bal. Available, SOY.....	1,000	1,000	7,000	-	-7,000	
Total Available	8,000	8,000	15,500	-	-15,500	
Bal. Available, EOY.....	-1,000	-7,000	-	-	-	
Total Obligations	7,000	1,000	15,500	-	-15,500	

Table FSA-41. Project Statement on Basis of Obligations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Discretionary Obligations:					
GSWPP	\$7,000	-	\$14,500	-	-\$14,500
Subtotal Disc Obligations.....	7,000	-	14,500	-	-14,500
Mandatory Obligations:					
NET from CCC	-	\$1,000	1,000	-	-
Subtotal Mand Obligations.....	-	1,000	-	-	-
Total Obligations	7,000	1,000	15,500	-	-15,500
Add back:					
Balances Available, EOY:					
NET from CCC	1,000	-	-	-	-
Total Bal. Available, EOY	1,000	7,000	-	-	-
Total Available	8,000	7,000	15,500	-	-15,500
Less:					
Total Transfers In.....	-	-	-	-	-
Bal. Available, SOY.....	-	-1,000	-7,000	-	7,000
Total Appropriation.....	8,000	7,000	8,500	-	-8,500

JUSTIFICATION OF CHANGES

- (1) A decrease of \$7,500,000 for Grassroots Source Water Protection Program (\$7,500,000 available in 2026).

In 2027, funding is not requested for the Grassroots Source Water Protection Program in order to reallocate budget resources to more mission-critical functions. States may continue pursuing wellhead and groundwater protection through other available federal and state programs, helping to prevent source water pollution through voluntary practices and avoiding duplication of effort.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table FSA-42. Geographic Breakdown of Obligations Discretionary (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$140	-	\$290	-
Alaska	140	-	290	-
Arizona	140	-	290	-
Arkansas.....	140	-	290	-
California	140	-	290	-
Colorado	140	-	290	-
Connecticut.....	140	-	290	-
Delaware	140	-	290	-
District of Columbia.....	140	-	290	-
Florida	140	-	290	-
Georgia	140	-	290	-
Hawaii	140	-	290	-
Idaho	140	-	290	-
Illinois.....	140	-	290	-
Indiana.....	140	-	290	-
Iowa	140	-	290	-
Kansas	140	-	290	-
Kentucky	140	-	290	-
Kingman Reef.....	140	-	290	-
Louisiana	140	-	290	-
Maine	140	-	290	-
Maryland	140	-	290	-
Massachusetts.....	140	-	290	-

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Michigan	140	-	290	-
Minnesota	140	-	290	-
Mississippi.....	140	-	290	-
Missouri	140	-	290	-
Montana	140	-	290	-
Nebraska	140	-	290	-
Nevada.....	140	-	290	-
New Hampshire	140	-	290	-
New Jersey	140	-	290	-
New Mexico.....	140	-	290	-
New York	140	-	290	-
North Carolina	140	-	290	-
North Dakota.....	140	-	290	-
Ohio	140	-	290	-
Oklahoma	140	-	290	-
Oregon	140	-	290	-
Rhode Island	140	-	290	-
South Carolina.....	140	-	290	-
South Dakota	140	-	290	-
Tennessee	140	-	290	-
Texas	140	-	290	-
Utah.....	140	-	290	-
Vermont	140	-	290	-
Virginia	140	-	290	-
West Virginia.....	140	-	290	-
Wisconsin	140	-	290	-
Wyoming	140	-	290	-
Obligations.....	7,000	-	14,500	-
Bal. Available, EOY.....	-	7,000	-	-
Total, Available	7,000	7,000	14,500	-

Table FSA-43. Geographic Breakdown of Obligations Mandatory (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	-	\$20	\$20	-
Alaska	-	20	20	-
Arizona	-	20	20	-
Arkansas.....	-	20	20	-
California	-	20	20	-
Colorado	-	20	20	-
Connecticut.....	-	20	20	-
Delaware	-	20	20	-
District of Columbia	-	20	20	-
Florida	-	20	20	-
Georgia	-	20	20	-
Hawaii	-	20	20	-
Idaho	-	20	20	-
Illinois.....	-	20	20	-
Indiana	-	20	20	-
Iowa	-	20	20	-
Kansas	-	20	20	-
Kentucky	-	20	20	-
Kingman Reef.....	-	20	20	-

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Louisiana	-	20	20	-
Maine	-	20	20	-
Maryland	-	20	20	-
Massachusetts.....	-	20	20	-
Michigan	-	20	20	-
Minnesota	-	20	20	-
Mississippi.....	-	20	20	-
Missouri	-	20	20	-
Montana	-	20	20	-
Nebraska	-	20	20	-
Nevada.....	-	20	20	-
New Hampshire	-	20	20	-
New Jersey	-	20	20	-
New Mexico.....	-	20	20	-
New York.....	-	20	20	-
North Carolina	-	20	20	-
North Dakota.....	-	20	20	-
Ohio.....	-	20	20	-
Oklahoma	-	20	20	-
Oregon	-	20	20	-
Rhode Island	-	20	20	-
South Carolina.....	-	20	20	-
South Dakota	-	20	20	-
Tennessee	-	20	20	-
Texas	-	20	20	-
Utah.....	-	20	20	-
Vermont	-	20	20	-
Virginia	-	20	20	-
West Virginia.....	-	20	20	-
Wisconsin	-	20	20	-
Wyoming	-	20	20	-
Obligations.....	-	1,000	1,000	-
Bal. Available, EOY.....	-\$1,000	-	-	-
Total, Available	-1,000	1,000	1,000	-

OBJECT CLASSIFICATION

Table FSA-44. Classification by Objects (thousands of dollars)

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Other Objects:					
41.0	Grants, subsidies, and contributions	\$7,000	\$1,000	\$15,500	-
	Total, Other Objects	7,000	1,000	15,500	-
99.9	Total, new obligations.....	7,000	1,000	15,500	-

Table FSA-45. Appropriations from 2005 through 2025 (in dollars)

Fiscal Year	Appropriations
2005	\$3,244,000 ¹¹
2006	3,712,500
2007	3,712,500
2008	3,687,009
2009	5,000,000
2010	5,000,000
2011	4,241,000
2012	3,817,000
2013	5,159,043
2014	10,526,000 ¹²
2015	5,526,000
2016	6,500,000
2017	6,500,000
2018	6,500,000
2019	11,500,000 ¹³
2020	6,500,000
2021	6,500,000
2022	6,500,000
2023	7,500,000
2024	8,000,000
2025	7,000,000

¹¹ Funds were transferred from the Natural Resources Conservation Service to FSA to assist in the implementation of the program.

¹² Includes mandatory funds from the Agricultural Act of 2014 (2014 Farm Bill).

¹³ Includes mandatory funds from the Agriculture Improvement Act of 2018 (2018 Farm Bill).

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ACCOUNT 6: GEOGRAPHICALLY DISADVANTAGED FARMERS AND RANCHERS

APPROPRIATIONS LANGUAGE

The appropriations language follows:

Geographically Disadvantaged Farmers and Ranchers

[For necessary expenses to carry out direct reimbursement payments to geographically disadvantaged farmers and ranchers under section 1621 of the Food Conservation, and Energy Act of 2008 (7 U.S.C. 8792), \$3,500,000, to remain available until expended.]

Change Description

This change (line -1-4 of paragraph 1) deletes language for the Geographically Disadvantaged Farmers and Ranchers funding is not being requested in 2027.

LEAD-OFF TABULAR STATEMENT

Table FSA-46. Lead -Off Tabular Statement (in dollars)

Item	Amount
Estimate, 2026	\$3,500,000
Change in Appropriation	-3,500,000
Budget Estimate, 2027	-

PROJECT STATEMENTS

Table FSA-47. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.	Chg Key
Discretionary Approp:						
Geo. Disadv. Farmers & Ranchers.....	\$3,500	\$3,500	\$3,500	-	-\$3,500	(1)
Subtotal.....	3,500	3,500	3,500	-	-3,500	
Total Appropriation.....	3,500	3,500	3,500	-	-3,500	
Recoveries, Other	81	1	-	-	-	
Rescinded Balances.....	-	-	-4,460	-	4,460	
Bal. Available, SOY.....	8,442	8,133	8,143	\$3,511	-4,632	
Total Available	12,023	11,634	7,183	3,511	-3,672	
Bal. Available, EOY.....	-8,133	-8,143	-3,511	-	3,511	
Total Obligations.....	3,890	3,491	3,672	3,511	-161	

Table FSA-48. Project Statement on Basis of Obligations (thousands of dollars, FTEs)

Item:	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Discretionary Obligations:					
Geo. Disadv. Farmers & Ranchers	\$3,890	\$3,491	\$3,672	\$3,511	-\$161
Total Obligations	3,890	3,491	3,672	3,511	-161
Add back:					
Balances Available, EOY:					
Geo. Disadv. Farmers & Ranchers	8,133	8,143	3,511	-	-3,511
Total Bal. Available, EOY.....	8,133	8,143	3,511	-	-3,511
Total Available	12,023	11,634	7,183	3,511	-3,672
Less:					
Recoveries, Other	-81	-1	-	-	-
Rescinded Balances.....	-	-	4,460	-	-4,460
Bal. Available, SOY.....	-8,442	-8,133	-8,143	-	4,632
Total Appropriation.....	3,500	3,500	3,500	-	-3,500

JUSTIFICATION OF CHANGES

The numbers and letters of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

- (1) A decrease of \$3,500,000 for Geographically Disadvantaged Farmers and Ranchers (\$3,500,000 available in 2026).

For 2027 funding is not being requested for the Geographically Disadvantaged Farmers and Ranchers to reimburse producers for a portion of the cost to transport agricultural commodities or inputs used to produce an agricultural commodity, as this is a lower priority program.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table FSA-49. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alaska	\$724	\$633	\$666	\$637
Guam	-	68	72	68
Hawaii	1,614	1,444	1,519	1,453
Puerto Rico.....	1,404	1,255	1,320	1,262
Virgin Islands	74	62	65	62
Distribution Unknown	74	29	30	29
Obligations.....	3,890	3,491	3,672	3,511
Bal. Available, EOY.....	8,133	8,143	3,511	-
Total, Available	12,023	11,634	7,183	3,511

OBJECT CLASSIFICATION

Table FSA-50. Classification by Objects (thousands of dollars)

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Other Objects:					
41.0	Grants, subsidies, and contributions...	\$3,890	\$3,491	\$3,672	\$3,511
	Total, Other Objects.....	3,890	3,491	3,672	3,511
99.9	Total, new obligations	3,890	3,491	3,672	3,511

STATUS OF PROGRAMS

Public Law 119-4, "Full-Year Continuing Appropriations and Extensions Act, 2025" provided \$3.5 million for the Reimbursement Transportation Cost Payment Program for Geographically Disadvantaged Farmers and Ranchers (RTCP) in fiscal year 2025 to reimburse these producers for part of the transportation costs associated with moving agricultural commodities or inputs necessary for production. This funding will be available for each subsequent fiscal year, contingent upon appropriate funding allocations.

The aim of the RTCP is to mitigate the higher transportation costs faced by farmers and ranchers in geographically disadvantaged areas, particularly those outside the contiguous 48 states. These producers often face competitive disadvantages when transporting agricultural products to market due to long distances.

Current Activities:

Enrollment for the RTCP for 2025 commenced on July 8, 2025, and concluded on September 30, 2025. For a 2nd year, RTCP took advantage of the development and implementation of new software that automated the application process. This innovation replaced the previous lengthy manual system, streamlining operations and reducing the time and effort required from both applicants and administrators.

Additionally, RTCP successfully expedited the timeline for processing payments to producers. As a result, payments are now being processed months earlier than in previous years. This improvement ensures that geographically disadvantaged farmers and ranchers receive their reimbursements more promptly, contributing to better cash flow management for their operations.

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ACCOUNT 7: EMERGENCY CONSERVATION PROGRAM

PROJECT STATEMENTS

Table FSA-54. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Discretionary Appropriations:					
ECP PL 118-158.....	-	\$828,000	-	-	-
Total Adjusted Approp	-	828,000	-	-	-
Add back:					
Total Appropriation.....	-	828,000	-	-	-
Recoveries, Other	\$40,153	30,481	\$1,691	-	-\$1,691
Bal. Available, SOY.....	516,848	362,733	758,283	\$426,282	-332,001
Total Available	557,001	1,221,214	759,283	426,282	-333,692
Bal. Available, EOY.....	-362,733	-758,283	-426,282	-	426,282
Total Obligations	194,268	462,931	333,692	-	92,590

Table FSA-55. Project Statement on Basis of Obligations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Discretionary Obligations:					
ECP Stafford	\$34,409	\$8,482	\$2,276	-	-\$2,276
ECP Non-Stafford	192	55,836	7,324	-	-7,324
ECP PL 114-254	104	27,087	3,020	-	-3,020
ECP PL 115-123	56,583	97,297	5,491	-	-5,491
Subtotal Disc Obligations...	91,288	188,702	18,811	-	-18,111
Supplemental Obligations:					
ECP PL 116-20	102,980	170,011	18,081	-	-18,081
ECP PL 118-158.....	-	104,218	297,500	\$426,282	128,782
Subtotal Supp Obligations...	102,980	274,229	315,581	426,282	110,701
Total Obligations	194,268	462,931	333,692	426,282	-
Balances Available, EOY:					
ECP	362,733	758,283	426,282	-	-426,282
Total Available	557,001	1,221,214	759,974	426,282	-333,692
Less:					
Recoveries, Other	-40,153	-30,481	-1,691	-	1,691
Bal. Available, SOY.....	-516,848	-362,733	-758,283	-426,282	332,001
Total Appropriation.....	-	828,000	-	-	-

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table FSA-56. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$971	\$830	\$598	\$764
Arizona	296	543	391	500
Arkansas.....	12,184	6,505	4,689	5,990
California	37,346	15,441	11,130	14,219
Colorado.....	420	74	53	67
Florida	21,487	54,121	39,012	49,836
Georgia	8,916	155,849	112,340	143,511
Guam.....	69	19	14	17
Hawaii	466	258	186	238
Idaho	141	16	12	15
Illinois.....	105	13	9	12
Indiana.....	-	255	184	235

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Iowa	1,706	9,564	6,894	8,807
Kansas	14,758	4,948	3,566	4,555
Kentucky	2,558	2,346	1,691	2,160
Louisiana	37	1,552	1,119	1,429
Maine	887	728	525	670
Massachusetts.....	496	425	306	390
Michigan	496	4	3	4
Minnesota	-	172	124	158
Mississippi.....	1,917	1,692	1,220	1,558
Missouri	2,536	6,598	4,713	6,020
Montana	1,610	4,040	2,911	3,719
N. Mariana Islands	18	-	-	-
Nebraska	3,342	3,563	2,568	3,281
Nevada.....	6,238	1,581	1,139	1,455
New Hampshire.....	189	124	89	114
New Jersey	103	28	20	26
New Mexico.....	339	519	374	478
New York	121	308	222	284
North Carolina	392	25,483	18,369	23,466
North Dakota.....	22	45	32	41
Ohio	11	1,354	975	1,246
Oklahoma	14,176	6,005	4,328	5,529
Oregon	3,414	56,169	40,487	51,721
Pennsylvania	-	711	513	655
Puerto Rico.....	6,891	269	193	247
Rhode Island	206	173	124	158
South Carolina.....	61	5,402	3,894	4,974
South Dakota	13,899	6,506	4,690	5,991
Tennessee	1,852	18,737	13,505	17,253
Texas	27,003	16,534	11,918	15,225
Vermont	2,031	388	279	356
Virginia	1	16,792	12,104	15,463
Washington.....	4,239	6,686	4,819	6,157
West Virginia	118	7,727	5,570	7,115
Wyoming	662	21,886	15,776	20,153
Distribution Unknown	-	-54	14	18
Obligations.....	194,268	462,931	333,692	426,282
Bal. Available, EOY.....	362,733	758,283	426,282	-
Total, Available	557,001	1,221,214	759,974	426,282

OBJECT CLASSIFICATION

Table FSA-57. Classification by Objects (thousands of dollars)

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
41.0	Grants, subsidies, and contributions.....	\$194,268	\$462,931	\$333,692	\$426,282
99.9	Total, new obligations.....	194,268	462,931	333,692	426,282

STATUS OF PROGRAMS

The Emergency Conservation Program (ECP), managed by the FSA, offers vital financial and technical assistance to agricultural producers for repairing and restoring farmland affected by natural disasters such as floods, hurricanes, wildfires, droughts, and other emergencies. This program supports farmers and ranchers in implementing emergency conservation measures aimed at rehabilitating damaged land, restoring agricultural productivity, and preventing further environmental degradation. ECP covers various practices, including the removal of debris from farmland, grading, shaping, or leveling land, restoring permanent fences and conservation structures, and implementing emergency water conservation measures during severe droughts.

The program provides cost-share assistance of up to 75% for approved conservation practices, with limited resource producers potentially qualifying for up to 90% assistance. ECP funding is subject to annual appropriations and is distributed on a first-come, first-served basis, with funding priorities based on the severity of disasters and the extent of incurred damage.

Additionally, ECP ensures a quick response to immediate conservation needs following disasters, enabling producers to swiftly restore their operations. By addressing disaster-related damage, the program helps prevent further environmental degradation and promotes the long-term sustainability of agricultural land, ultimately aiding producers in recovering from the financial impacts of natural disasters and supporting the economic stability of rural communities.

Current Activities

In 2025, ECP engaged 44 states and 1 territory, continuing activities from the prior year with approximately \$361 million outlaid for cost-share and technical assistance. Recent supplemental appropriations have targeted funding for both regular ECP activities and specific disasters, such as mid-west flooding, hurricanes, tornado damage, and wildfires in the western plains.

Funds are monitored through separate disaster identification accounts, assisting agricultural producers in rehabilitating farmland damaged by natural disasters by removing debris left by floods and tornadoes. This effort helps restore the land's agricultural capacity and provides emergency water for livestock in the Northern Plains, where severe drought persists. ECP will also support the grading and reshaping of farmland affected by floodwaters and the restoration of livestock fences and conservation structures destroyed by wildfires, tornadoes, and hurricanes.

In 2025, ECP allocated a total of \$453.8 million in unrestricted funds and \$6.2 million in Stafford funding, amounting to a total of \$460 million. These allocations include the reallocation of unused funds from previous disaster events to assist producers facing new natural disasters.

Selected Examples of Recent Activities

The following tables show (A) appropriations and outlays for 1981 through 2025 and (B) 2025 allocations by State.

Table FSA-58. Appropriations and Outlays 1982-2025 (in dollars)

Fiscal Year	Appropriations	Outlays
1981-2010.....	\$1,145,374,000	\$926,918,418 ¹⁴
2011.....	-	35,138,268 ¹⁵
2012.....	136,700,000	56,113,938 ¹⁶
2013.....	25,049,415	41,084,135 ¹⁷
2014.....	-	22,879,879
2015.....	9,216,000	23,926,138 ¹⁸
2016.....	108,000,000	28,159,321 ¹⁹
2017.....	131,629,524	57,067,063 ²⁰
2018.....	400,000,000	97,286,299 ²¹
2019.....	558,000,000	74,643,848 ²²
2020.....	-	125,833,751
2021.....	-	94,214,113
2022.....	-	86,528,637
2023.....	-	96,969,643
2024.....	-	135,682,726
2025.....	828,000,000 ²³	361,032,699
Total	3,341,968,939	2,263,478,876

¹⁴ P.L. 109-148 provided \$199.8 million in supplemental funding, with \$38 million transferred to NOAA by P.L. 109-234; P.L. 110-28 allocated \$18 million in supplemental funding, including \$2 million specifically for Kansas; P.L. 110-252 provided \$89.4 million for multiple disasters, primarily addressing damage from the 2008 Midwest Floods, while P.L. 110-329 contributed an additional \$115 million for various disasters, including Hurricanes Ike and Gustav; P.L. 111-32 reallocated \$66.314 million from Hurricane Katrina and Adjusted Gross Income accounts to the regular ECP account for use in any natural disaster; In 2010, ECP allocated \$53.3 million in total funding.

¹⁵ In 2011, ECP provided \$28 million in total allocations.

¹⁶ In 2012, ECP allocated \$148.9 million, which included \$122.7 million from P.L. 112-55 for major disaster expenses and a \$14 million transfer from ELAP to ECP.

¹⁷ In 2013, ECP received \$15 million for Super Storm Sandy relief from P.L. 113-2 and \$11.1 million from P.L. 113-6.

¹⁸ In 2015, P.L. 113-235 provided \$9.216 million for major disaster expenses.

¹⁹ In 2016, ECP received \$108 million from P.L. 114-113 and \$91 million from the Consolidated Appropriations Act, with \$17 million remaining as unrestricted funds.

²⁰ In 2017, ECP funding included \$102.9 million from P.L. 114-254 and \$28.651 million from P.L. 115-31 for emergencies not declared as major disasters.

²¹ In 2018, P.L. 115-123 allocated \$400 million for expenses related to Hurricanes Harvey, Irma, and Maria, as well as 2017 wildfires.

²² In 2019, P.L. 116-20 provided \$558 million for expenses related to Hurricanes Michael and Florence, 2018 wildfires, and other natural disasters.

²³ In 2025, PL 118-158 provided \$828 million

Table FSA-59. 2024 ECP Cumulative State Allocations (in thousands)

State	Drought	Flooding	Hurricane	Severe Storm	Tornado	Wildfire	Total
Alabama	-	\$6	\$228	\$90	\$484	-	\$808
Arizona	-	565	-	-	-	-	565
Arkansas	-	1,193	-	966	3,546	-	5,706
California.....	\$0	-	-	10,168	-	\$6,633	16,801
Colorado.....	-	66	-	-	-	-	66
Florida	-	-	35,056	33	-	-	35,056
Georgia	-	-	159,255	31	-	-	159,286
Hawaii	-	-	275	-	-	-	275
Illinois.....	-	-	-	-	17	-	17
Indiana.....	-	-	-	-	359	-	359
Iowa	-	9,115	-	47	3,606	-	12,768
Kansas	5,576	-	-	149	-	20	5,746
Kentucky	-	-	-	1,580	1,223	-	2,803
Louisiana.....	-	-	561	861	689	-	2,091
Maine.....	-	-	-	248	-	-	248
Massachusetts	877	-	-	-	-	-	877
Michigan	-	-	-	-	112	-	112
Minnesota	-	181	-	-	-	-	181
Mississippi	-	-	-	20	1,740	-	1,759
Missouri	-	3,366	-	945	2,241	-	6,552
Montana	592	4	-	-	0	3,983	4,579
Nebraska	-	241	-	-	235	1,240	1,716
Nevada.....	12	385	-	666	-	-	1,063
New Hampshire...	-	5	-	134	-	-	139
New Jersey.....	-	-	-	44	-	-	44
New Mexico	-	105	-	-	-	150	255
New York	-	287	-	310	95	-	692
North Carolina	-	-	36,999	11	-	-	37,011
North Dakota	-	-	-	-	-	45	45
Ohio	1,634	-	-	-	5	-	1,639
Oklahoma	1,031	273	-	-	1,114	2,964	5,382
Oregon	78	-	-	250	-	55,935	56,262
Pennsylvania	-	1,266	-	-	-	-	1,266
Puerto Rico	-	-	254	-	-	-	254
Rhode Island.....	30	-	-	-	-	-	30
South Carolina.....	-	18	5,488	3	-	-	5,508
South Dakota.....	4,044	2,711	-	342	-	2,055	9,152
Tennessee.....	-	1,111	17,782	524	303	-	19,721
Texas.....	-	3,253	411	1,504	74	1,976	7,219
Vermont	-	294	-	222	-	-	516
Virginia	-	-	16,229	-	-	-	16,229
Washington	-	-	-	-	-	7,102	7,102
West Virginia.....	6,333	-	-	-	68	21	6,422
Wyoming	4,521	68	-	-	-	20,881	25,470
Total	24,728	24,514	272,539	19,147	15,912	103,006	459,793

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ACCOUNT 8: EMERGENCY FOREST RESTORATION PROGRAM

PROJECT STATEMENTS

Table FSA-60. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.	Chg Key
Discretionary Approps:						
EFRP PL 118-158	-	\$356,535	-	-	-	-
Subtotal	-	356,535	-	-	-	-
Recoveries, Other	\$42,678	26,124	-	-	-	-
Bal. Available, SOY	368,246	386,728	\$428,220	\$210,654	-\$217,566	-
Total Available	410,924	769,387	428,220	210,654	-217,566	
Lapsing Balances	-	-	-	-	-	-
Bal. Available, EOY	-386,728	-428,220	-210,654	-	210,654	
Total Obligations	24,196	341,167	217,566	210,654	-6,912	

Table FSA-61. Project Statement on Basis of Obligations (thousands of dollars, FTEs)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Discretionary Obligations:					
EFRP Stafford	\$4,544	\$6,702	\$4,844	-	-\$4,844
EFRP Regular	-	15,209	7,548	-	-7,578
EFRP PL 117-328	-	-	24,841	-	-24,841
Subtotal Disc Obligations	4,544	21,911	37,263	-	-37,263
Supplemental Obligations:					
EFRP PL 116-20	19,652	313,812	39,867	-	-39,867
EFRP PL 118-58	-	5,444	140,436	\$210,654	70,218
Subtotal Supp Obligations	19,653	319,256	180,303	210,654	30,351
Total Obligations	24,196	341,167	217,566	210,654	-6,912
Add back:					
Balances Available, EOY:					
EFRP	386,728	428,220	210,654	210,654	-210,654
Total Available	410,924	769,387	428,220	210,654	-217,566
Recoveries, Other	-42,678	-26,124	-	-	-
Bal. Available, SOY	-368,246	-386,728	-428,220	-210,654	217,566
Total Appropriation	-	356,535	-	-	-

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table FSA-62. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$356	\$8,049	\$5,133	\$4,970
Arkansas	-	256	163	158
California	4,858	1,584	1,010	978
Colorado	180	125	80	77
Florida	7,962	25,321	16,147	15,634
Georgia	717	258,890	165,161	159,914
Illinois	225	812	518	501
Iowa	284	1,201	766	742
Kansas	2,160	-	-	-
Kentucky	-	719	459	444
Louisiana	1,727	1,279	816	790
Maine	245	1,906	1,215	1,177
Michigan	1,221	275	175	170
Mississippi	633	5,559	3,545	3,432

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Montana	221	2,937	1,873	1,813
New Hampshire.....	3	18	11	11
New Jersey	9	109	70	67
New York.....	-	95	61	59
North Carolina	-	4,157	2,651	2,567
Ohio	-	2	1	1
Oregon	2,836	12,629	8,054	7,798
Pennsylvania	50	-	-	-
South Carolina	10	11,040	7,040	6,817
Tennessee	213	741	473	458
Texas	211	803	512	496
Vermont.....	1	55	35	34
Virginia	-	2,537	1,618	1,566
West Virginia	-	242	154	149
Wisconsin	-	81	52	50
Wyoming.....	44	2	1	1
Distribution Unknown.....	-	2	-228	-220
Obligations	24,196	341,167	217,566	210,654
Bal. Available, EOY	386,728	428,220	210,654	-
Total, Available	410,924	769,387	428,220	210,654

CLASSIFICATION BY OBJECTS

Table FSA-63. Classification by Objects (thousands of dollars)

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Other Objects:					
41.0	Grants, subsidies, and contributions	\$24,196	\$341,167	\$217,566	\$210,654
99.9	Total, new obligations	24,196	341,167	217,566	210,654

STATUS OF PROGRAMS

The Emergency Forest Restoration Program (EFRP), administered by the FSA, helps non-industrial private forestland owners recover from natural disasters, including wildfires, hurricanes, tornadoes, windstorms, ice storms, floods, and other qualifying events. EFRP provides funding and technical support for approved conservation practices focused on restoring forest health, mitigating further damage, and promoting sustainable forest management.

Key practices include debris removal, site preparation for natural regeneration or tree planting, forest stand improvement, restoration of forest roads and stream crossings, and additional measures to mitigate disaster impacts. The program offers cost-share assistance of up to 75% of the costs for approved practices, with funding contingent upon annual appropriations and allocated on a first-come, first-served basis, prioritizing disaster severity and damage extent.

EFRP also enhances environmental restoration by improving forest health and productivity, supporting ecosystem services such as carbon sequestration, water quality, and wildlife habitat. By promoting best management practices, EFRP fosters the long-term sustainability and resilience of forestlands while aiding forestland owners in recovering from the financial impacts of natural disasters, thus supporting the economic stability of rural communities.

Current Activities

The EFRP provides payments to eligible non-industrial private forest landowners for implementing emergency measures to restore forests and forest resources damaged by natural disasters. In 2025, 34 states participated in EFRP, continuing activities from the previous year, with approximately \$144 million outlayed, including prior year unobligated balances.

Selected Examples of Recent Activity

Recent supplemental appropriations for EFRP have targeted funding for regular activities addressing drought and tornado damage, as well as Stafford Act funds for specific disaster needs, such as hurricanes. EFRP funds continue to assist in rehabilitating forests damaged by natural disasters, including ice storms and tornadoes, through debris removal and replanting efforts. In 2025, EFRP allocated \$1.8 million in Stafford Act funds and \$339.6 million in unrestricted funds, totaling \$341.5 million distributed to 26 states to assist private forest landowners impacted by natural disasters

The following tables show (A) appropriations and outlays from 2011 through 2025 and (B) 2024 allocations by State.

Table FSA-64. Appropriations and Outlays. Fiscal Years 2011-2025

Fiscal Year	Appropriation	Outlays
2011	\$18,000,000	\$232,825 ²⁴
2012	28,400,000	1,991,152 ²⁵
2013	35,665,468	5,452,313 ²⁶
2014	0	1,981,531
2015	3,203,000	4,391,289 ²⁷

²⁴ \$18 million in supplemental funding provided by P.L. 111-212.

²⁵ \$28.4 million in supplemental funding provided by P.L. 112-55.

²⁶ In 2013, \$23 million in EFRP funding for Super Storm Sandy was provided by P.L. 113-2; \$14.2 million was from P.L. 113-6, net of sequester and rescissions; In 2013, an additional \$14.2 million from P.L. 113-6 was subject to rescissions, resulting in a net appropriation of \$13,815,468.

²⁷ In 2015, \$3.203 million in EFRP funding was provided by P.L. 113-235 for major disaster expenses.

Fiscal Year	Appropriation	Outlays
2016	6,000,000	4,719,927 ²⁸
2017	0	2,262,227
2018	0	2,211,465
2019	480,000,000	1,137,889 ²⁹
2020	0	3,446,862
2021	0	5,703,067
2022	0	14,810,538
2023	27,000,000	25,537,094 ³⁰
2024	0	17,135,269
2025	356,535,000	0144,068,366 ³¹
TOTAL	954,803,468	235,081,820

Table FSA-65. EFRP 2024 Allocation Summary

State/Territory/ Country	Drought	Flooding	Hurricane	Severe Storm	Tornado	Wildfire	Total
Alabama	5,549	-	-	-	6	-	5,555
Arkansas	-	-	-	-	289	-	289
California	-	-	-	-	-	418	418
Colorado	-	-	-	15	-	124	139
Florida	-	-	31,526	-	-	118	31,644
Georgia	181	-	256,174	-	-	-	256,355
Illinois	-	-	-	300	58	-	358
Iowa	-	-	-	-	1,342	-	1,342
Kentucky	-	-	-	-	720	-	720
Louisiana	794	-	85	-	121	-	1,000
Maine	-	-	-	980	-	-	980
Michigan	-	-	-	-	36	-	36
Mississippi	6,801	-	-	-	163	51	7,015
Montana	-	-	-	3,334	-	-	3,334
New Hampshire	-	-	-	78	-	-	78
New Jersey	-	-	-	169	-	-	169
New York	-	-	-	-	96	-	96
North Carolina	-	-	13,663	-	3	-	13,666
Ohio	-	-	-	-	255	-	255
Oregon	-	-	-	3,278	-	5,993	9,271
South Carolina	-	-	6,053	18	-	-	6,071
Tennessee	-	-	507	-	255	-	762
Vermont	-	157	-	-	-	-	157
Virginia	-	-	1,452	-	-	-	1,452
West Virginia	-	-	-	352	186	-	538
Wisconsin	-	-	-	-	61	-	61
Total	13,325	157	309,460	8,524	3,590	6,704	341,760

²⁸ In 2016, \$6 million of ECP funding was provided by P.L. 114-113, with \$2 million for major disaster expenses.

²⁹ In 2019, P.L. 116-20 provided \$480 million for expenses related to Hurricanes Michael and Florence, 2018 wildfires, and other disasters, available until expended.

³⁰ In 2023, \$27 million was provided by P.L. 117-328.

³¹ In 2024, \$357 million was provided by P.L.118-58