

New FSA help now available

Written by Holyoke Enterprise

The USDA Farm Service Agency is working harder than ever to assist new farmers and ranchers to succeed. FSA state executive director Trudy Kareus recently unveiled a new Land Contract Guarantee Program and several other tools designed to help beginning farmers and ranchers build the foundation for a successful career in agriculture.

“New farmers face many challenges, like obtaining land for example,” said Kareus. “FSA is going to provide new options to help them to work through this challenging start-up issue.” Peak land values, tight commercial credit, minimal credit history and less collateral make it difficult for new and smaller farmers in Colorado to get a commercial business loan right now.

The Land Contract Guarantee Program provides a new approach for landowners willing to sell and finance a land purchase to a beginning or socially disadvantaged farmer. The national program offers two options, one that guarantees up to three annual installment payments on the contract and one that guarantees 90 percent of the unpaid principal of the contract. Guarantees can be used in the purchase of land for up to \$500,000.

“Colorado farmers represent all walks of life, a wide variety of ethnic backgrounds and all different ages,” noted Kareus. “This new program will work well for beginning and minority growers in our state, and we encourage producers to visit with us to see if they qualify and how it could fit their needs,” she said. Find FSA loan information, disaster assistance programs and other helpful programs at www.fsa.usda.gov.

Another new change to the agency’s lending rules for new producers is to allow more flexibility in the minimum experience requirement. Under the new rule, FSA loan officers are now allowed to consider all prior farming experience, including on-the-job training and formal education when determining eligibility for FSA farm operating and ownership loans.

To qualify for the Beginning Farmer and Rancher Loan Program, applicants must have a minimum level of agricultural experience, but not more than 10 years operating a farm or ranch.

Kareus also recommends that people considering a farming career should visit a new USDA website www.start2farm.gov to learn more about USDA and FSA programs for beginning

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farmers and ranchers.

Colorado FSA's support for beginning and socially disadvantaged farmers and ranchers is evident in the high level of minority and new farmer participation generated through staff outreach into the community. In 2011, 39.9 percent of all FSA farm loans in Colorado were made to socially disadvantaged and beginning farmers and ranchers.

For more information about these and other USDA programs, visit the local FSA/NRCS service center or www.fsa.usda.gov .

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