

## Report to Congressional Requesters

December 2024

# FARM PROGRAMS

USDA Financial
Assistance to
Agricultural Producers
for Fiscal Years
2019–2023



Highlights of GAO-25-107174, a report to congressional requesters

## Why GAO Did This Study

Agricultural producers have received USDA financial assistance through commodity, conservation, crop insurance, and disaster assistance programs authorized by the 2018 farm bill. In addition, Congress may provide additional support through supplemental assistance programs. These programs, designed to provide additional and temporary forms of financial assistance, address specific agricultural losses or needs. Financial assistance—in the form of direct payments or as payments on behalf of the producers to crop insurance companies—can go to individual producers directly, or to legal entities that producers operate.

GAO was asked to review the total distribution of USDA financial assistance across the department's programs serving agricultural producers. This report provides information on USDA's distribution of financial assistance to agricultural producers by type of program and producer (including historically underserved producers), among other factors, from fiscal years 2019 through 2023.

GAO analyzed USDA data on financial assistance to agricultural producers for 27 selected programs from fiscal years 2019 through 2023.

USDA provided technical comments, which we incorporated as appropriate.

View GAO-25-107174. For mor information contact Steve D. Morris at (202) 512-3841 or Morriss@gao.gov

#### December 2024

## **FARM PROGRAMS**

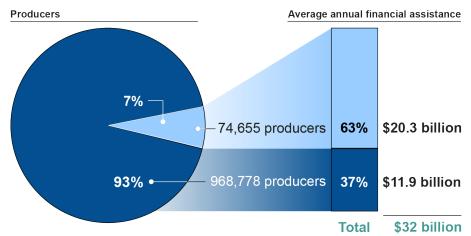
# **USDA Financial Assistance to Agricultural Producers** for Fiscal Years 2019–2023

### What GAO Found

The U.S. Department of Agriculture (USDA) provided \$161 billion in financial assistance to agricultural producers from fiscal years (FY) 2019 through 2023, the last year for which data were available. Supplemental assistance programs during this time span—distributed financial assistance to producers affected by international trade disruptions, the COVID-19 pandemic, and natural disasters—accounted for about 42 percent of all financial assistance distributed. USDA's crop insurance program provided 33 percent of the total financial assistance.

From FYs 2019 through 2023, USDA provided financial assistance to an average of about 1 million agricultural producers each year. More than 90 percent of producers received a combined annual average of about \$11.9 billion (or about \$12,000 per producer) in financial assistance (see figure). However, less than 10 percent of producers received a combined annual average of \$20.3 billion (or about \$272,000 per producer) in financial assistance. In addition, the top 10 producers receiving the most financial assistance received about \$18.0 million per year on average. Overall, USDA financial assistance ranged from a few dollars per year to \$215.2 million to a single producer in 2022.

#### Average Annual USDA Financial Assistance to Agricultural Producers, Fiscal Years 2019–2023



Source: GAO analysis of U.S. Department of Agriculture (USDA) data. | GAO-25-107174

The number of historically underserved producers, along with livestock and poultry producers, participating in USDA financial assistance programs increased from about 84,000 to 183,000 and from about 76,000 to 243,000 producers respectively, over the 5-year period. According to agency officials, several factors contributed to the increase in participation for both groups of producers, including the expansion of programs in the 2018 farm bill that broadened the type of producers eligible to participate in programs, and an increase in the number of supplemental programs in recent years for which they were eligible.

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### **Abbreviations**

FSA Farm Service Agency

FY fiscal year

NRCS Natural Resources Conservation Service

RMA Risk Management Agency
USDA U.S. Department of Agriculture

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December 17, 2024

The Honorable Kirsten Gillibrand
Chair
Subcommittee on Livestock, Dairy, Poultry, Local Food Systems, and
Food Safety and Security
Committee on Agriculture, Nutrition, and Forestry
United States Senate

The Honorable Cory Booker United States Senate

Farm programs, including those authorized or reauthorized by the Agriculture Improvement Act of 2018 (2018 farm bill), form an important part of the federal farm safety net. This assistance provides risk protection and financial support to agricultural producers, especially in times of adverse weather events, such as hurricanes or droughts, or low commodity prices. This financial assistance is provided through commodity support, conservation programs, crop insurance, and disaster assistance programs. In addition, Congress may provide additional support through supplemental assistance to agricultural producers. For example, the U.S. Department of Agriculture (USDA) provided pandemic-related assistance and trade support to producers through the Coronavirus Food Assistance Program and the Market Facilitation Program, respectively. These programs provided financial assistance to producers for specific agricultural losses or needs in addition to the programs established in the farm bill.

Three agencies within USDA administer programs providing financial assistance to agricultural producers—the Farm Service Agency (FSA), the Natural Resources Conservation Service (NRCS), and the Risk Management Agency (RMA). Financial assistance consists of direct payments and payments made by the federal government on behalf of the producers to crop insurance companies. The assistance can go to individual producers directly or to legal entities that producers operate such as corporations or general partnerships. To qualify for financial assistance, producers must meet program requirements, which can differ by program.

We have previously reported on financial assistance to agricultural producers distributed through individual programs, such as the Federal Crop Insurance Program, the Coronavirus Food Assistance Program, and

the Market Facilitation Program.¹ In these reports, we also examined the characteristics of producers receiving financial assistance through USDA programs.

You asked us to review the total distribution of USDA financial assistance across the department's programs serving agricultural producers. This report provides information on (1) USDA's distribution of financial assistance to agricultural producers by program type, location, and commodity from fiscal year (FY) 2019 through FY 2023; and (2) USDA's distribution of financial assistance to agricultural producers by type of producer, including historically underserved producers, from FY 2019 through FY 2023.

To address these objectives, we reviewed relevant statutes and regulations, USDA documents such as FSA program handbooks, USDA producer guides, relevant Congressional Research Service reports, and our relevant reports.

To provide information on USDA's distribution of financial assistance to agricultural producers, we reviewed FSA, NRCS, and RMA data on financial assistance to agricultural producers for 27 selected programs

<sup>&</sup>lt;sup>1</sup>We have also previously reported on financial assistance to categories of agricultural producers and operations. See GAO, *Department of Agriculture: Financial Assistance to Livestock Feeding Operations*, GAO-25-106347 (Washington, D.C.: Nov. 12, 2024); *Crop Insurance: Update on Opportunities to Reduce Program Costs*, GAO-24-106086 (Washington, D.C.: Nov. 7, 2023); *Coronavirus Food Assistance Program: USDA Should Conduct More Rigorous Reviews of Payments to Producers*, GAO-22-104397 (Washington, D.C.: Sept. 8, 2022); and *USDA Market Facilitation Program: Oversight of Future Supplemental Assistance to Farmers Could Be Improved*, GAO-22-104259 (Washington, D.C.: Jan. 4, 2022).

from FY 2019 through FY 2023.<sup>2</sup> We selected programs that provided financial assistance for commodity assistance, conservation programs, crop insurance, disaster assistance, and supplemental assistance.<sup>3</sup> With crop insurance, we included claim payments to producers for financial losses from crop price declines and production losses due to natural causes, minus the portion of premiums these producers paid for their crop insurance policies as financial assistance.<sup>4</sup> Our analysis did not include a review of farm operation size or producer income; as the data were not available because not all agencies collect data across all 27 programs included in the review. In addition, we did not include technical assistance—FSA and NRCS offer support to producers to increase their technical knowledge, skills, and abilities—or farm loan programs in our review. We aggregated the financial assistance producers received from

<sup>2</sup>Our analysis included payments disbursed to producers from FY 2019 through FY 2023 irrespective of the year in which the funds were obligated and did not include contract obligations made during this 5-year period that had not yet been disbursed. We met with agency officials to identify USDA programs that provided financial assistance to producers from FY 2019 through FY 2023. Our analysis does not include all USDA financial assistance programs; however, such programs did not provide significant amounts of financial assistance and would not change the results of our analysis. For example, we did not include the Organic Certification Cost Share Program which provides financial assistance to producers primarily through state agencies. According to agency documents, from FY 2019 through FY 2022, the most recent year data were available, USDA disbursed approximately \$7.7 million from its national offices while state agencies disbursed approximately \$17.8 million during the same period. The financial assistance producers received from the crop insurance program included the insurance loss payment minus the premiums paid by the producer. Some producers paid premiums into the program and did not receive loss payments from FY 2019 through FY 2023. The premiums paid by those producers are not included in our analysis. As noted, our analysis focuses on the payments disbursed. We analyzed financial assistance to producers in the 48 contiguous states based on the date that the agency disbursed the financial assistance to producers. Our analysis did not include financial assistance to agricultural producers in Alaska, Hawaii, or the U.S. territories. All data in this report are for fiscal years, unless otherwise specified.

<sup>3</sup>Our analysis did not include certain conservation programs, including the Regional Conservation Partnership Program and Agricultural Conservation Easement Program, which made payments to partners or third-party entities rather than directly to agricultural producers. In addition, our analysis did not include subsidies paid to crop insurance companies to offset the administrative and operating expenses incurred to provide insurance policies to producers.

<sup>4</sup>This report identifies the amount of financial assistance disbursed to producers. For the crop insurance program, we typically report on the "net payment" to represent the financial assistance producers received from the crop insurance program—the insurance loss payment minus the premiums paid by the producer. Some producers paid premiums into the program and did not receive loss payments from FY 2019 through FY 2023. Including the portion of the premiums these producers paid to participate in the crop insurance program would reduce the amount of the assistance received by those producers that received loss payments during the 5-year period in our analysis.

all 27 programs to determine the total amount USDA disbursed. We analyzed characteristics of financial assistance, including the type of program, the location of the producer, and the type of commodity. We assessed the reliability of these data by, among other things, interviewing knowledgeable agency officials and reviewing technical documentation. We determined that the data were sufficiently reliable for the purpose of providing information on the distribution of financial assistance.

To provide information on the distribution of financial assistance to agricultural producers by producer, we reviewed the FSA, NRCS, and RMA data for the programs mentioned above. We aggregated these data across agencies by producers' tax ID to determine the total amount of financial assistance each producer received, and to determine the total number of producers that received financial assistance each year from FY 2019 through FY 2023. We focused on three areas: (1) the distribution of financial assistance across the 5-year period, (2) the distribution of financial assistance to historically underserved producers, 6 and (3) the commodities for which producers received financial assistance. We assessed the reliability of these data by performing electronic testing, including screening for omissions and anomalies and comparing data to USDA-published and agency-provided control totals; interviewing knowledgeable agency officials; and reviewing relevant documents, such as USDA-provided data guidance, data dictionaries, and database diagrams. We determined that the data were sufficiently reliable for the purpose of providing information on the distribution of financial assistance to producers.

We conducted this performance audit from November 2023 to December 2024 in accordance with generally accepted government auditing

<sup>&</sup>lt;sup>5</sup>According to agency officials, the USDA data systems that collect data on producer characteristics, such as the commodities for which the producers received financial assistance, do not capture financial assistance by fiscal year. As such, for reporting purposes, the data and our resulting analysis of the data make some assumptions to accurately represent these characteristics. We aggregated commodities into five types: dairy, field crops, livestock and poultry, specialty crops, and other commodities. Not all USDA programs collected data on the producers' commodities. For reporting purposes, we use the term "unspecified commodities" to refer to the financial assistance provided to producers for programs in which the commodity was not collected by the agency.

<sup>&</sup>lt;sup>6</sup>Our analysis did not include gender. In addressing the distribution of financial assistance to historically underserved producers, we found that some but not all USDA programs included gender in their definition of socially disadvantaged, a category of historically underserved producers. As a result, by not including gender in our analysis, the total amount of financial assistance to historically underserved producers appears lower than it would if we included gender.

standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## Background

From FY 2019 through FY 2023, USDA administered 16 programs through FSA and NRCS to provide financial assistance to support farm income, assist agricultural producers after disasters, and conserve natural resources. In addition to these three types of financial assistance, USDA provided financial assistance to producers through the crop insurance program administered by RMA and through 10 supplemental assistance programs administered by FSA, as shown in figure 1.

Figure 1: USDA Financial Assistance Programs for Agricultural Producers, by Agency and Type of Financial Assistance Commodity Supplemental Conservation Crop insurance Disaster assistance assistance assistance Emergency Assistance for **Coronavirus Food Agriculture Risk** Conservation **Federal Crop** Assistance Coverage **Reserve Program** Insurance Program Livestock, Honeybees, and Program <u>Fa</u>rm-Ŕaised Fish **Agricultural** Emergency Livestock Relief **Dairy Indemnity** Conservation **Emergency** Payment Program **Easement Program** Program Conservation **Program** Agricultural **Dairy Margin Emergency Relief** Management **Emergency Forest** Coverage Program **Assistance** Restoration Program Conservation **Price Loss Market Facilitation** Stewardship Coverage Program Livestock Forage Program **Disaster Program Environmental** Assistance for Timber Harvesters and Haulers **Quality Incentives** Livestock Program Indemnity Program **Pandemic** Livestock **Noninsured Crop Indemnity Program** Disaster Assistance Program **Quality Loss** Adjustment **Tree Assistance** Program **Program Seafood Trade** Relief Program **Spot Market Hog** Pandemic Program Farm Service Agency

Source: GAO analysis of U.S. Department of Agriculture (USDA) data. | GAO-25-107174

Natural Resources Conservation Service

Risk Management Agency

Notes: The Federal Crop Insurance Program is both a program and a type of financial assistance. By mid-August 2024, the application period for all 10 of the supplemental programs listed had ended, according to USDA officials.

Wildfire and

Hurricane Indemnity Program-Plus The 2018 farm bill authorized several commodity programs that provide price and income support for specific commodities. These programs include the Agriculture Risk Coverage and Price Loss Coverage programs that provide income support for producers when crop revenues, or yields, of a covered commodity are less than the programs' guaranteed amount.

The 2018 farm bill also authorized several conservation programs through which producers may receive financial assistance to help manage natural resources in a sustainable manner.8 Through these programs, producers receive financial assistance for planning and implementing conservation practices.

The Federal Crop Insurance Program offers producers subsidized insurance to protect against financial losses from crop price declines and production losses due to natural causes, such as drought and flooding. Without the subsidies, producers participating in the crop insurance program would have to pay the full amount of crop insurance premiums.<sup>9</sup>

As mentioned above, producers may also receive supplemental financial assistance. Designed to provide temporary support, these programs generally lasted 1 to 2 years. From FY 2019 through FY 2023, producers received financial support from 10 supplemental programs administered by FSA. As of mid-August 2024, all of the supplemental programs had ended.<sup>10</sup>

See appendix I for more information on the 27 financial assistance programs included in our review.

<sup>&</sup>lt;sup>7</sup>Pub. L. No. 115-334, tit. I, 132 Stat. 4490, 4500.

<sup>&</sup>lt;sup>8</sup>Pub. L. No. 115-334, tit. II, 132 Stat. 4490, 4530.

<sup>&</sup>lt;sup>9</sup>The crop insurance program subsidizes, on average, 62 percent of the premiums that producers pay on an annual basis. According to agency documents, the crop insurance program's direct costs totaled about \$57.7 billion from crop years 2019 through 2023.

<sup>&</sup>lt;sup>10</sup>At the time of our review, the Emergency Relief Program was the most recent supplemental program. This program covered losses to crops, trees, bushes, and vines due to qualifying natural disaster events in calendar years 2020 through 2022, including wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, and winter storms. The deadline for producers to apply for financial assistance under this program for qualifying natural disasters in 2022 was August 14, 2024. See GAO, Emergency Relief Program 2022: FSA Should Publicly Report Progress in Issuing Payments, GAO-24-107345 (Washington, D.C.: Sept. 10, 2024).

For certain agricultural programs, producers could voluntarily certify they belong to at least one group that farm bill legislation and USDA policy identified as historically underserved to be eligible for special provisions. Such groups include producers that are beginning to farm, have limited resources, are military veterans, or are socially disadvantaged—subject to racial, ethnic, or gender discrimination.<sup>11</sup>

USDA Provided About \$161 Billion in Financial Assistance across Programs, States, and Commodities From FY 2019 through FY 2023, USDA disbursed about \$161 billion to approximately 1.6 million unique agricultural producers. <sup>12</sup> On average, USDA distributed about \$32.1 billion in each of the 5 years. <sup>13</sup> Of the three agencies that distributed assistance—FSA, NRCS, and RMA—FSA distributed most of the financial assistance, as shown in figure 2. FSA provided most of its financial assistance through various supplemental programs. However, the largest amount of financial assistance in a single program was through the crop insurance program. Geographically, about 65 percent of financial assistance went to producers in the Plains and Midwest, and the majority of that assistance (72 percent) was for growing field crops, such as corn and soybeans. (See appendix II for more details on USDA financial assistance to agricultural producers.)

<sup>&</sup>lt;sup>11</sup>The United States District Court for the Northern District of Texas recently enjoined USDA from making or increasing payments through the Emergency Relief Program based on the socially disadvantaged designation. Strickland v. U.S.D.A., 2024 U.S. Dist. LEXIS 101547 (June 7, 2024).

<sup>&</sup>lt;sup>12</sup>Our review included producers that received financial assistance at least once from FY 2019 through FY 2023. For producers that received financial assistance in multiple years, we aggregated the total amount of the financial assistance to each producer to account for 1.6 million unique producers.

<sup>&</sup>lt;sup>13</sup>The Congressional Budget Office projected in June 2024 that the total USDA financial assistance will cost over \$200 billion (about \$20 billion per year) from FY 2025 through FY 2034.

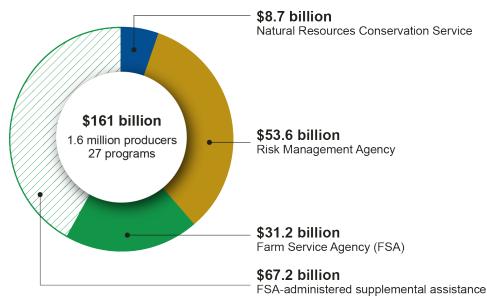


Figure 2: Disbursements of USDA Financial Assistance to Agricultural Producers, by Agency, Fiscal Years 2019–2023

Source: GAO analysis of U.S. Department of Agriculture (USDA) data. | GAO-25-107174

Notes: The Risk Management Agency provides financial assistance through the Federal Crop Insurance Program. Incorporating net payments into the analysis for those producers that paid premiums and did not receive loss payments into the analysis would reduce the financial assistance to producers from RMA by about \$2.3 billion per year over the 5-year period, according to agency officials.

Supplemental Programs Accounted for 42 Percent of Total Financial Assistance

Supplemental assistance programs distributed \$67.2 billion, or 42 percent of all payments included in our analysis, to agricultural producers from FY 2019 through FY 2023.

According to USDA data, supplemental financial assistance averaged \$1.7 billion per year from FY 2008 through FY 2018. By comparison, in part due to COVID-19 pandemic assistance and trade relief, supplemental assistance to agricultural producers averaged \$13.4 billion from FY 2019 through FY 2023.

From FY 2019 through FY 2023, the total amount of supplemental assistance was the highest in 2021 when USDA provided \$21.0 billion in financial assistance to producers during the COVID-19 pandemic, as shown in figure 3. In FY 2023, USDA provided \$2.1 billion in supplemental assistance.

Figure 3: Distribution of USDA Financial Assistance to Agricultural Producers, by Program Type, Fiscal Years 2019–2023 Dollars (in billions) 25 20 15 10 2019 2020 2021 2022 2023 Conservation Crop insurance Commodities Disaster assistance Supplemental assistance

Source: GAO analysis of U.S. Department of Agriculture (USDA) data. | GAO-25-107174

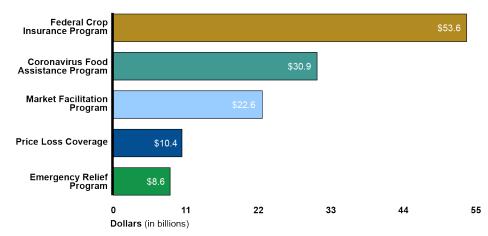
Notes: Crop Insurance is both a program and a type of financial assistance that USDA provides to agricultural producers. The financial assistance producers received from the crop insurance program included the insurance loss payment minus the portion of the premiums paid by the producer. Some producers paid premiums into the program and did not receive loss payments from FY 2019 through FY 2023. Including the portion of the premiums these producers paid to participate in the crop insurance program would reduce the amount of the assistance received by those producers that had loss payments during the 5-year period in our analysis.

The Federal Crop Insurance Program Accounted for One-Third of Financial Assistance

Five of the 27 USDA programs we reviewed accounted for over \$126.1 billion (79 percent) of the total \$161 billion distributed by USDA in financial assistance from FY 2019 through FY 2023. Of these five programs, the Federal Crop Insurance Program accounted for the

greatest share of financial assistance to producers—\$53.6 billion (33 percent), as shown in figure 4.14

Figure 4: USDA Programs Providing Largest Total Financial Assistance to Agricultural Producers, Fiscal Years 2019–2023



Source: GAO analysis of U.S. Department of Agriculture (USDA) data. | GAO-25-107174

Notes: The Federal Crop Insurance Program's financial assistance to producers included the insurance loss payment minus the portion of the premiums paid by the producer. Some producers paid premiums into the program and did not receive loss payments from FY 2019 through FY 2023. Including the portion of the premiums these producers paid to participate in the crop insurance program would reduce the amount of the assistance received by those producers that had loss payments during the 5-year period in our analysis.

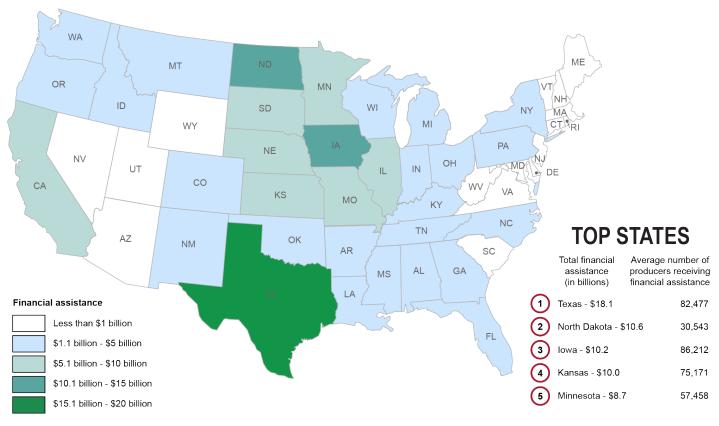
About Two-Thirds of USDA Financial Assistance Went to States with the Highest Agricultural Production Value

According to USDA documents, agricultural producers in 15 states produced about two-thirds (66 percent) of the total value of agricultural

<sup>&</sup>lt;sup>14</sup>Our analysis focused on the net benefits to producers from the crop insurance program; therefore, the figures in this report only represent producers that received loss payments. Some producers paid premiums into the program and did not receive loss payments from FY 2019 through FY 2023. Including the portion of the premiums these producers paid to participate in the crop insurance program would reduce the financial assistance to producers from RMA by about \$2.3 billion per year over the 5-year period, according to agency officials.

sector production from calendar years 2019 through 2023.<sup>15</sup> According to our analysis, producers in these 15 states received about the same proportion (66 percent) of USDA financial assistance from FY 2019 through FY 2023. The majority of these states (11 of 15 states) are located in the Plains and Midwest region. Producers in Texas received the most USDA financial assistance, as shown in figure 5. While these producers often participated in multiple programs, they received from 59 to 86 percent of their financial assistance from supplemental assistance and the Federal Crop Insurance Program.

Figure 5: Distribution of USDA Financial Assistance to Agricultural Producers, by State, Fiscal Years 2019–2023



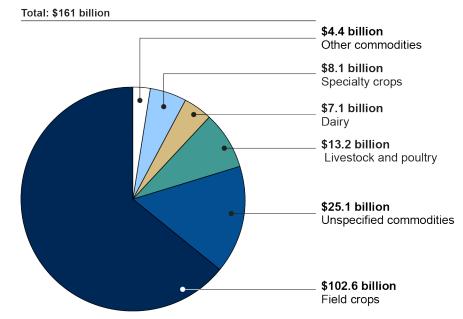
Sources: GAO analysis of U.S. Department of Agriculture (USDA) data; Map Resources (map). | GAO-25-107174

<sup>&</sup>lt;sup>15</sup>From calendar years 2019 through 2023, the states that comprised the top 15 for agricultural production varied slightly across years; two states, Washington and Georgia, were not in the top 15 each year of our analysis. Fourteen states made up the top 15 states each year. These states were Arkansas, California, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Carolina, Ohio, South Dakota, Texas, and Wisconsin.

Almost Two-Thirds of USDA Financial Assistance Was for Field Crops

Field crops, which include corn and soybeans, accounted for almost two-thirds (64 percent) of total financial assistance—\$102.6 billion of the \$161 billion in total assistance that USDA distributed from FY 2019 through FY 2023, as shown in figure 6. USDA distributed about \$25.1 billion (16 percent) as financial assistance for programs in which the agencies did not collect data that categorized the producers' commodities. Examples of this type of program included NRCS's Environmental Quality Incentives Program and FSA's Emergency Forest Restoration program.

Figure 6: Estimated Distribution of USDA Financial Assistance to Agricultural Producers, by Commodity Category, Fiscal Years 2019–2023



Source: GAO analysis of U.S. Department of Agriculture (USDA) data. | GAO-25-107174

Notes: According to agency officials, the USDA data systems are not designed to report financial assistance by commodities by fiscal year. As such, our analysis makes some estimations to represent these characteristics. Agency officials also told us that some Farm Service Agency and Natural Resources Conservation Service programs do not collect data on the type of commodity produced. For reporting purposes, we use the term "unspecified commodities" to refer to the financial assistance provided to producers for programs in which the commodity is not collected by the agency.

Ten Percent of
Producers Received
the Majority of USDA
Financial Assistance,
while Participation by
Historically
Underserved
Producers and
Livestock and Poultry
Producers Increased

USDA provided financial assistance to a total of 1.6 million unique producers over the 5-year period of FY 2019 through FY 2023. In each of these years, on average, approximately 1 million producers participated in USDA's financial assistance programs. <sup>16</sup> Among the 1 million producers participating each year, the financial assistance ranged from a few dollars to multiple millions, averaging about \$30,782 per year, as shown in table 1. Approximately 15 percent (149,000) of these producers were self-reported as historically underserved each year, on average. From FY 2019 through FY 2023, the number of historically underserved producers participating grew by over 100 percent from 84,000 to 183,000. Livestock and poultry producer participation also increased by over 200 percent, from 76,000 in FY 2019 to 243,000 in FY 2023.

Table 1: Average Annual Financial Assistance to the Top Producers, Fiscal Years 2019–2023

Producers receiving financial assistance	Average annual financial assistance
All producers	\$ 30,782
Top 10 percent of producers	\$ 271,408
Top 100	\$ 5,930,559
Top 10	\$ 17,983,684

Source: GAO analysis of U.S. Department of Agriculture data. | GAO-25-107174

Fewer Than 10 Percent of Producers Received Almost Two-Thirds of Total USDA Financial Assistance

According to our analysis of USDA data, fewer than 10 percent of producers (74,655) received about 63 percent of total USDA financial assistance from FY 2019 through FY 2023. As a group, these producers received \$20.3 billion per year on average. The average financial assistance provided to individual producers in this 10 percent group ranged from \$154,949 to tens of millions per year.

The majority of producers (87 percent) received less than \$50,000 on average per year in financial assistance from USDA programs. Moreover, over half of all producers (668,056 out of 1,043,433) received \$2,730 on average per year, or approximately 6 percent of the average annual financial assistance USDA provided to producers (as shown in fig. 7).

<sup>&</sup>lt;sup>16</sup>The number of producers participating in USDA financial assistance programs ranged from over 1.3 million in FY 2021 to about 832,000 in FY 2023.

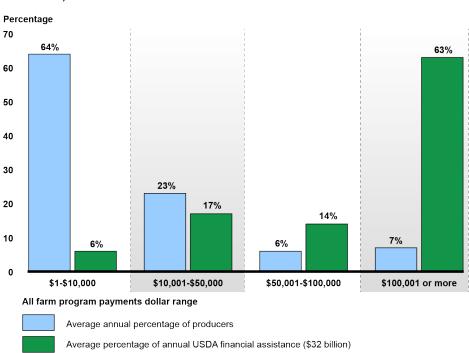


Figure 7: Average Annual Distribution of USDA Financial Assistance to All Producers, Fiscal Years 2019–2023

Source: GAO analysis of U.S. Department of Agriculture (USDA) data | L.GAO-25-107174

We also analyzed the data to identify the top 100 producers that received the most financial assistance from FY 2019 through FY 2023. The range of financial assistance that these producers received was between \$2.3 million and \$215.2 million. The top 100 producers received about \$5.9 million per year on average while the top 10 producers received \$18.0 million per year on average.

The majority of the top 100 producers participated in multiple USDA programs. Specifically, these producers participated in an average of nearly four USDA programs during any 1 year from FY 2019 through FY 2023, though the programs differed depending on the producer's commodities.

We found that the top 10 producers over the 5-year period received assistance primarily from crop insurance. These top 10 producers received financial assistance at least once, in amounts ranging from \$18.6 million to \$215.2 million. Over the 5-year period, the single largest

amount of USDA financial assistance was for crop insurance in which the producer received \$215.2 million in financial assistance. Apart from this one producer, however, the highest financial assistance that producers received was below \$100 million.

Participation by Historically Underserved Producers and Livestock and Poultry Producers Increased Substantially in Recent Years

#### **Historically Underserved Producers**

The 2018 farm bill reauthorized and expanded existing support and expanded support for groups of producers identified as historically underserved. According to U.S. Department of Agriculture (USDA) documents, USDA generally defines historically underserved producers as those who are beginning to farm, have limited resources, are military veterans, or are socially disadvantaged. USDA generally defines socially disadvantaged producers as those who belong to groups that have been subject to racial, or ethnic discrimination. As part of certain (USDA) financial assistance programs, producers can voluntarily self-certify as a historically underserved producer on USDA

Source: GAO analysis of USDA documentation. | GAO-25-107174

**Historically underserved producers.** Thirteen of 27 programs we reviewed offered special provisions for historically underserved groups, and USDA required individuals to certify they belonged to such groups to take advantage of special benefits. For the remaining 14 programs, USDA did not provide special provisions for historically underserved producers.

About 15 percent of producers who participated in USDA programs and received financial assistance from FY 2019 through FY 2023 certified they belonged to one or more historically underserved groups. These producers received a total of \$28.0 billion.

Based on our analysis, the total number of historically underserved producers that received financial assistance from USDA increased over 100 percent from FY 2019 through FY 2023. Specifically, in FY 2019, of the 918,000 producers that participated in USDA financial assistance programs, approximately 9 percent (82,000) had self-certified through at least one USDA program as being a historically underserved producer. In FY 2023, of the 832,000 producers that received USDA financial assistance, approximately 22 percent of producers (183,000) had self-certified through at least one USDA program as being a historically underserved producer.

The number of historically underserved producers that received USDA financial assistance increased in FSA, NRCS, and RMA programs, with larger increases in the crop insurance program and disaster assistance programs such as the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program and the Noninsured Crop Disaster Assistance Program. According to agency officials, a key reason for the increase was the expansion of programs in the 2018 farm bill that broadened the type of producers eligible to participate in programs—including programs for producers of specialty crops and livestock and poultry. Agency officials also told us that historically underserved producers tend to grow more specialty crops (e.g., fruits, tree nuts, and spinach) than other producers. As a result, as the number of programs for specialty crops expanded, their participation increased at a higher rate than other producers. In addition, other contributing factors according to

these officials, were agency outreach activities and an increase in the number of supplemental programs in recent years.

Livestock and poultry producers. The total number of livestock and poultry producers that received financial assistance from USDA increased over 200 percent from FY 2019 through FY 2023, based on our analysis. Of the 918,000 producers who participated in USDA financial assistance programs in FY 2019, approximately 8 percent (76,000) received financial assistance for livestock and poultry. In FY 2023, of the 832,000 producers that received USDA financial assistance, approximately 29 percent of producers (243,000) received financial assistance for livestock and poultry. There were more livestock and poultry producers participating in USDA programs in FY 2023 compared to FY 2019 in all states but Delaware, according to our analysis of USDA data.<sup>17</sup>

In particular, the number of livestock and poultry producers that participated in the crop insurance program increased by over 1000 percent from FY 2019 through FY 2023. For example, in FY 2019, in all but one state, South Dakota, fewer than 100 livestock and poultry producers received financial assistance through the crop insurance program. However, by FY 2023, 14 states had over 100 livestock and poultry producers participating in the crop insurance program, and two states had over 1000 livestock and poultry producers in the program.

Livestock and poultry producers can also qualify as historically underserved. The number of livestock and poultry producers who received assistance and also qualified as historically underserved increased over 700 percent from FY 2019 through FY 2023, based on our analysis. The number of historically underserved producers that received financial assistance for livestock and poultry more than doubled in 47 of the 48 states we reviewed.<sup>18</sup>

<sup>&</sup>lt;sup>17</sup>Arkansas, Tennessee, Virginia, and Wyoming had the largest increases in the number of livestock and poultry producers. Delaware was the only state in which fewer livestock and poultry producers participated in USDA programs (103 producers in FY 2019 and 91 producers in FY 2023).

<sup>&</sup>lt;sup>18</sup>To provide as much detail as possible about the nature of financial assistance that USDA provides, we counted producers more than once in these statistics where they appeared in multiple states, produced multiple commodities, or both. Historically underserved producers may have received financial assistance for livestock and poultry in more than one state.

Agency officials told us that this increase in the number of livestock and poultry producers participating in the crop insurance program was, in part, a result of provisions in the 2018 farm bill that led to the expansion of insurance policies for livestock and poultry. During this time period, livestock and poultry producers also increased participation in FSA programs such as the Emergency Livestock Relief Program and Livestock Forage Disaster Program. According to agency officials, the increased number of widespread adverse weather events in the past several years accounted for part of the increased number of livestock and poultry producers participating in such programs. The Emergency Livestock Relief Program is a type of supplemental financial assistance; the Livestock Forage Disaster Program is a type of disaster assistance.

We provided a draft of this report to USDA for review and comment. We received technical comments from USDA which we incorporated, as appropriate.

We are sending copies of this report to appropriate congressional committees, the Secretary of Agriculture, and other interested parties. In addition, the report is available at no charge on the GAO website at <a href="https://www.gao.gov">https://www.gao.gov</a>.

If you or your staff have any questions about this report, please contact me at (202) 512-3841 or <a href="mailto:morriss@gao.gov">morriss@gao.gov</a>. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix III.

Steve D. Morris

Director, Natural Resources and Environment

D Now

From fiscal years 2019 through 2023, the U.S. Department of Agriculture (USDA) distributed \$161 billion in financial assistance for commodities, conservation, crop insurance, disaster assistance, and supplemental assistance to agricultural producers. USDA provided this \$161 billion across 27 programs in which the total financial assistance ranged from \$7.4 million to \$53,551.8 million, as shown in table 2.

Financial assistance type and program	Total financial assistance	Program description	
	(in millions)		
Commodity assistance			
Agriculture Risk Coverage	\$ 3,281.3	The Agriculture Risk Coverage program is an income support program that provides payments when actual crop revenue declines below a specified guaranteed level.	
Dairy Indemnity Payment Program	\$ 7.4	The Dairy Indemnity Payment Program provides payments to dairy producers when a public regulatory agency directs them to remove their raw milk from the commercial market because it has been contaminated by pesticides and other residues.	
Dairy Margin Coverage	\$ 3,066.9	The Dairy Margin Coverage program provides dairy operations with risk management coverage that pay producers when the difference (the margin) between the national price of milk and the average cost of feed falls below a certain level selected by the program participants.	
Price Loss Coverage	\$ 10,418.7	The Price Loss Coverage program provides income support payments when the effective price for a covered commodity falls below its effective reference price for covered commodities.	
Conservation assistance			
Agricultural Conservation Easement Program	\$ 105.8	The Agricultural Conservation Easement Program protects the agricultural viability and related conservation values of eligible land by (1) limiting nonagricultural uses that negatively affect agricultural uses and conservation values; (2) protecting grazing uses and related conservation values by restoring or conserving eligible grazing land; and (3) protecting, restoring, and enhancing wetlands on eligible land.	
Agricultural Management Assistance	\$ 18.3	The Agricultural Management Assistance help agricultural producers manage financial risk through diversification, marketing, or natural resource conservation practices.	
Conservation Reserve Program	\$ 7,535.1	The Conservation Reserve Program is a land conservation program. In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and plant species that will improve environmental health and quality.	
Conservation Stewardship Program	\$ 3,678.7	The Conservation Stewardship Program compensates agricultural and forest producers who agree to address priority resource concerns and improve and conserve the quality and condition of natural resources by adopting conservation activities that are in addition to maintaining their baseline level of conservation.	

Financial assistance type and program	Total financial assistance	Program description
	(in millions)	
Environmental Quality Incentives Program	\$ 4,848.4	The Environmental Quality Incentives Program provides technical and financial assistance to producers to help implement conservation practices that address resource concerns related to organic production; soil, water, and air quality; wildlife habitat; nutrient management; pest management; ground and surface water conservation; irrigation management; drought resiliency measures; adapting to and mitigating against increasing weather volatility; energy conservation; and related resource concerns.
Crop insurance		
Federal Crop Insurance Program <sup>a</sup>	\$ 53,551.8	The Federal Crop Insurance Program offered subsidized crop insurance to protect producers against financial losses from crop price declines and poor harvests due to natural causes.
Disaster assistance		
Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish	\$ 1,007.9	The Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program provides financial assistance to eligible producers of livestock, honeybees, and farm-raised fish for losses due to disease, certain adverse weather, or other loss conditions, including blizzards and wildfires, as determined by the Secretary.
Emergency Conservation Program	\$ 456.6	The Emergency Conservation Program provides cost-share payments to farmers and ranchers to repair damage to farmlands caused by natural disasters and carry out emergency water conservation measures during periods of severe drought.
Emergency Forest Restoration Program	\$ 50.7	The Emergency Forest Restoration Program provides payments to eligible owners of nonindustrial private forest land in order to carry out emergency measures to restore land damaged by a natural disaster.
Livestock Forage Disaster Program	\$ 4,000.7	The Livestock Forage Disaster Program provides compensation to eligible livestock producers that have suffered grazing losses for covered livestock and who were also producers of grazed forage crop acreage of native or improved pastureland with permanent vegetative cover or acreage planted specifically for grazing.
Livestock Indemnity Program	\$ 205.0	The Livestock Indemnity Program provides benefits to eligible livestock owners or contract growers for livestock deaths in excess of normal mortality caused by eligible loss conditions, including eligible adverse weather or eligible disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law, such as wolves and avian predators.
Noninsured Crop Disaster Assistance Program	\$ 1,092.7	The Noninsured Crop Disaster Assistance Program provides financial assistance to producers of non-insurable crops to protect against natural disasters that (1) result in lower yields or crop losses or (2) prevent crop planting.
Tree Assistance Program	\$ 59.7	The Tree Assistance Program provides financial assistance to eligible orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes, and vines lost by natural disasters.
Supplemental assistance		
Coronavirus Food Assistance Program	\$ 30,939.7	The Coronavirus Food Assistance Program provided financial assistance to producers that experienced price declines and increased marketing costs for their commodities, as a result of the COVID-19 pandemic.

Financial assistance type and program	Total financial assistance (in millions)	Program description
Emergency Livestock Relief Program	\$ 1,187.3	The Emergency Livestock Relief Program provided emergency assistance payments to agricultural producers who faced increased supplemental feed costs resulting from forage losses due to a qualifying drought or wildfire.
Emergency Relief Program	\$ 8,583.7	The Emergency Relief Program provided financial assistance for agricultural producers who experienced crop or other losses due to qualifying disaster events, including wildfires, droughts, hurricanes, winter storms, and other eligible disasters occurring in calendar years 2020 through 2022.
Market Facilitation Program	\$ 22,622.5	The Market Facilitation Program provided financial assistance to producers with commodities that have been significantly impacted by trade actions of foreign governments resulting in the loss of traditional exports.
Pandemic Assistance for Timber Harvesters and Haulers	\$ 193.3	The Pandemic Assistance for Timber Harvesters and Haulers program provided financial assistance to businesses that suffered a gross revenue loss of at least 10 percent during the period of January 1, 2020, through December 1, 2020, compared to the period of January 1, 2019, through December 1, 2019.
Pandemic Livestock Indemnity Program	\$ 45.2	The Pandemic Livestock Indemnity Program provided financial assistance for losses of livestock and poultry depopulated from March 1, 2020, through December 26, 2020, due to insufficient processing access during the COVID-19 pandemic.
Quality Loss Adjustment Program	\$ 291.8	The Quality Loss Adjustment Program provided financial assistance to producers who suffered eligible crop quality losses due to qualifying disaster events, including hurricanes, floods, drought, snowstorms, and wildfires.
Seafood Trade Relief Program	\$ 186.3	The Seafood Trade Relief Program provided direct assistance to eligible commercial fishermen with seafood production reported as U.S. harvested in calendar year 2019 who have been impacted by trade actions of foreign governments resulting in loss of exports.
Spot Market Hog Pandemic Program	\$ 61.9	The Spot Market Hog Pandemic Program provided assistance to producers who sold hogs through a spot market sale from April 16, 2020, through September 1, 2020, the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic.
Wildfire and Hurricane Indemnity Program-Plus	\$ 3,097.2	Wildfire and Hurricane Indemnity Program-Plus provided financial assistance to eligible producers who suffered losses to crops, trees, bushes, and vines due to qualifying disasters, including hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, and wildfires that occurred in 2018 and 2019.

Source: GAO analysis of U.S. Department of Agriculture data and documents. | GAO-25-107174

Notes: We analyzed financial assistance programs administered by the Farm Service Agency, Natural Resources Conservation Service, and the Risk Management Agency that distributed direct payments to producers, or payments to insurance companies on behalf of producers. Our analysis included payments disbursed to producers from FY 2019 through FY 2023 irrespective of the year in which the funds were obligated and did not include contract obligations that were not disbursed during the 5-year period. Our analysis did not include technical assistance, farm loan programs, or subsidies paid to crop insurance companies to offset the administrative and operating expenses incurred to provide insurance policies to producers. Additionally, our analysis did not include certain conservation programs that made payments to partners or third-party entities rather than directly to agricultural producers.

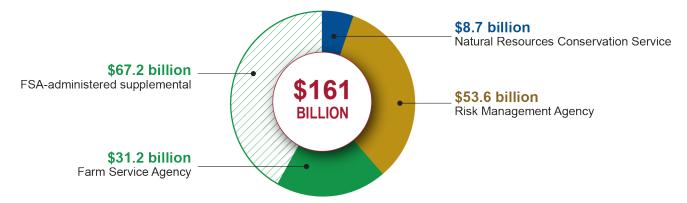
<sup>a</sup>The financial assistance producers received from the crop insurance program included the insurance loss payment minus the portion of the premiums paid by the producer. Some producers paid premiums into the program and did not receive loss payments from FY 2019 through FY 2023. Including the portion of the premiums these producers paid to participate in the crop insurance program would reduce the amount of the assistance received by those producers that had loss payments during the 5-year period in our analysis.

# USDA Financial Assistance to Agricultural Producers

## Highlights of GAO-25-107174

2019-2023

From fiscal years (FY) 2019 through 2023, U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), and Risk Management Agency (RMA) distributed \$161 billion in financial assistance to agricultural producers. USDA provided this \$161 billion across **27 programs** for commodities, conservation, crop insurance, disaster assistance, and supplemental assistance.





## 1.6 MILLION PRODUCERS

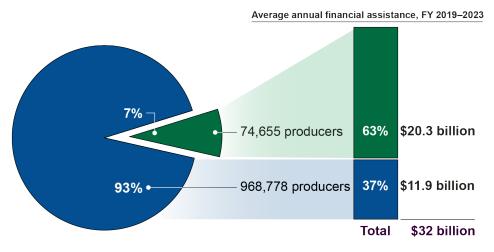
received financial support ranging from a few dollars to \$215.2 million



**82%** of producers that received financial assistance were **individual producers** 

**18%** of producers were **entities** such as corporations and general partnerships

## WHAT WAS THE DISTRIBUTION OF FINANCIAL ASSISTANCE TO PRODUCERS?



Producers	All producers	Top 10 percent	Top 100	Top 10
Average annual financial assistance	\$30,782	\$271,408	\$5,930,559	\$17,798,684

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# WHERE DID THE ASSISTANCE GO? TOP STATES

Total financial assistance	Average number of produce
1 Texas - \$18.1 billion	82,477
2 North Dakota - \$10.6 billion	30,543
3 Iowa - \$10.2 billion	86,212
4 Kansas - \$10.0 billion	75,172
Minnesota - \$8.7 billion	57,458

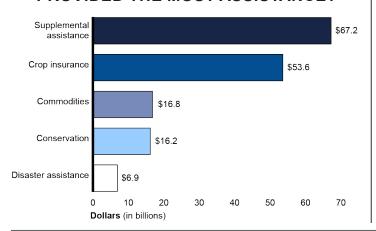
# WHICH COMMODITIES RECEIVED THE MOST ASSISTANCE?



## \$102.6 BILLION (64%) FIELD CROPS

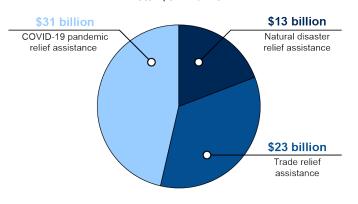
Includes crops such as corn, cotton, rice, sorghum, soybeans, and wheat

# WHICH TYPES OF PROGRAMS PROVIDED THE MOST ASSISTANCE?

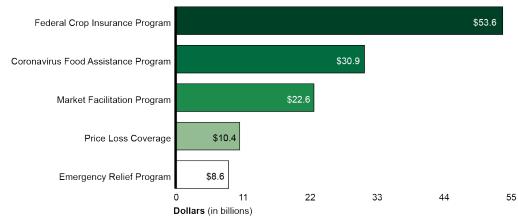


# WHERE DID SUPPLEMENTAL ASSISTANCE GO?

Total \$67.2 billion



### WHICH PROGRAMS PROVIDED THE MOST ASSISTANCE TO PRODUCERS?



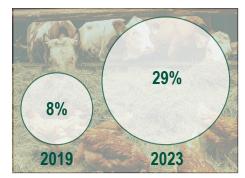
Note: For all mentions of the Federal Crop Insurance Program in this document, incorporating net payments for producers that paid premiums and did not receive loss payments into the analysis would reduce the financial assistance to producers by about \$2.3 billion per year over the 5-year period, according to USDA officials.

### WHAT WERE THE CHANGES IN PARTICIPATION SINCE 2019?



#### HISTORICALLY UNDERSERVED PRODUCERS

Due in part to expanded programs and agency outreach activities, the number of historically underserved producers increased across all five types of financial assistance.



#### LIVESTOCK AND POULTRY PRODUCERS

Due in part to expanded programs and increased number of adverse weather events, livestock and poultry producers increased participation the most in crop insurance and disaster assistance.

# Appendix III: GAO Contact and Staff Acknowledgements

GAO Contact	Steve D. Morris at (202) 512-3841 or morriss@gao.gov
Staff Acknowledgments	In addition to the contact named above, Tahra Nichols (Assistant Director), Rose Almoguera (Analyst in Charge), Kevin S. Bray, Steven Flint, Frank Garro, Gina Hoover, Félix Muñiz Jr., Sara Sullivan, and Brennan Williams made key contributions to this report.

# Appendix: IV: Additional Source Information for Images and Figures

This appendix contains source information for images, tables, or figures in this product when that information was not listed adjacent to the image, table, or figure.

Appendix II: GAO analysis of U.S. Department of Agriculture data (all figures). GAO (illustrations) and Grafvision/Dusan Kostic/stock.adobe.com.

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