

## 2013 Crop Commodity Loan Disbursements

USDA's Farm Service Agency (FSA) Administrator Juan M. Garcia announced today that the processing and disbursement of 2013 crop commodity loans has resumed. Crop year 2013 commodity loan-making was suspended Oct. 1, 2013, to make changes necessary to accommodate the automatic funding reductions known as sequester. Sequestration is mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 as amended by the Budget Control Act of 2011.

"We must comply with the laws established by Congress to reduce funds in accordance with sequestration policy," said Garcia. "We regret the delay this has created in USDA issuing marketing assistance loans because we know how critical the loans are to many farmers' cash flow at this time of year."

The commodity loan programs provide interim financing to producers for agricultural commodities stored after harvest and then sold throughout the year. Producers requesting 2013 crop commodity loans on their harvested commodities now will have a 5.1 percent reduction to the loan amount upon its disbursement, due to the sequestration. Commodity loans issued by marketing associations and loan servicing agents are also subject to the sequestration reduction.

During the period that loan-making was suspended, producers were still able to submit loan applications to their county FSA offices, marketing associations and loan servicing agents. The processing and disbursement of these applications will begin immediately.

For further information about commodity marketing loans, farmers may contact their local county FSA office or go online to [www.fsa.usda.gov](http://www.fsa.usda.gov).