

GAO

Fact Sheet for the Chairman, Committee
on the Budget, United States Senate

July 1987

FARM PROGRAMS

**1985 Payments and
Crop Loans by State**



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Resources, Community, and
Economic Development Division

B-227597

July 22, 1987

The Honorable Lawton Chiles
Chairman, Committee on the Budget
United States Senate

Dear Mr. Chairman:

As you requested on December 4, 1986, this fact sheet provides information on farm price and income support payments and crop loans in 1985. Specifically, it details the distribution of (1) payments and crop loans, by region and state, (2) payments, by crop and size of payment, and (3) crop loans, by crop and size of loan.

Some highlights from the data include:

- Nationally, some 980,000 producers received almost \$6.3 billion in payments; about 462,000 producers took out loans totaling about \$15.2 billion.
- Texas producers received more payments than those of any other state--almost \$700 million in payments. Iowa producers took out the largest amount of loans--\$2.4 billion.
- About 804,000 producers received less than \$10,000 in payments; about 15,000 producers received \$50,000 or more.¹
- About 294,000 producers took out loans of less than \$25,000; about 6,800 producers took out loans of \$200,000 or more.

The data in this fact sheet come from the Agricultural Stabilization and Conservation Service's (ASCS's) producer payment history and loan files and the Office of the Inspector General's (OIG's) producer identification number files. The producer identification number files are specifically maintained for the OIG in ASCS' Kansas City, Missouri, Management Office so it can carry out certain audit activities. We did not independently verify the data provided by the ASCS and OIG systems. We set up the tables and did the computer programming necessary to obtain the data. When a

¹Generally, deficiency and diversion payments are limited to \$50,000. Because of certain exceptions, however, it was possible for payments to exceed the \$50,000 per person per year limit.

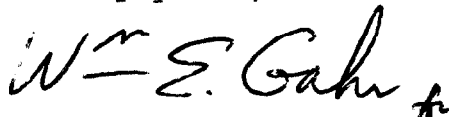
loan was made to more than one producer, but the files did not indicate each producer's loan share, we divided the loan amount equally among the producers.

Our tables account for all of the \$6.3 billion in deficiency and diversion payments made by ASCS as of May 31, 1986, for crop year 1985.² They account for \$15.2 billion or 94 percent of the \$16.2 billion in crop loans made by ASCS in crop year 1985 for corn, wheat, grain sorghum, barley, oats, cotton, and rice. The principal reason that our tables do not include all \$16.2 billion is that producer numbers were not available in the computer records for about 71,000 loans.

As agreed with your office, we are sending copies of this fact sheet to various congressional committees and the Secretary of Agriculture. Detailed state-by-state data are also being sent to selected recipients and are available to others upon request. We have provided your staff and the Congressional Budget Office with microcomputer disks containing the tables included in this fact sheet. On request, we will also make the disks available to others. Questions about the fact sheet or requests for the disks should be directed to me at (202) 275-5138.

Major contributors to this fact sheet are listed in appendix I.

Sincerely yours,



Brian P. Crowley
Senior Associate Director

²"Crop year" is determined by the time of harvest, regardless of the calendar year in which payments or loans are actually made.

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ABBREVIATIONS

ASCS	Agricultural Stabilization and Conservation Service
GAO	General Accounting Office
OIG	Office of the Inspector General
USDA	U.S. Department of Agriculture

SECTION 1

DISTRIBUTION OF PAYMENTS AND CROP LOANS BY REGION AND STATE

In this section, we provide information on the distribution of payments and crop loans by USDA farm production region and state. There was a concentration of payments and loans in midwestern states. Producers in the Corn Belt (Illinois, Indiana, Iowa, Missouri, and Ohio), Northern Plains (Kansas, Nebraska, North Dakota, and South Dakota), and Lake States (Michigan, Minnesota, and Wisconsin) regions accounted for about 67 percent of the \$6.3 billion in payments. Also, they accounted for about 74 percent of the 462,000 producers taking out crop loans and 75 percent of the \$15.2 billion in loans.

Table 1.1

Payments and Crop Loans, by Region, 1985

<u>Region^a</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Corn Belt	325,884	\$1,564.2	168,993	\$6,183.9
Northern Plains	242,403	1,372.3	127,313	3,444.6
Lake States	91,564	571.1	45,234	1,803.6
Northeast	12,743	58.3	3,147	128.4
Delta States	48,984	618.2	18,374	859.4
Southeast	23,419	154.4	6,306	214.0
Mountain	49,547	512.1	14,497	487.3
Appalachian	42,615	141.7	14,147	386.7
Pacific	27,269	398.4	8,583	416.5
Southern Plains	<u>115,496</u>	<u>900.6</u>	<u>55,313</u>	<u>1,293.8</u>
Total ^b	<u>979,924</u>	<u>\$6,291.1</u>	<u>461,907</u>	<u>\$15,218.2</u>

^aUSDA farm production regions.

^bTotals may not add due to rounding.

Source: ASCS.

Table 1.2

Payments and Crop Loans, by State in
the Corn Belt Region, 1985

<u>Corn Belt states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Illinois	99,582	\$ 459.6	52,672	\$1,996.8
Indiana	42,669	206.6	18,263	769.1
Iowa	105,280	602.8	66,443	2,425.7
Missouri	46,427	165.0	18,901	519.1
Ohio	<u>31,926</u>	<u>130.2</u>	<u>12,714</u>	<u>473.2</u>
Total	<u>325,884</u>	<u>\$1,564.2</u>	<u>168,993</u>	<u>\$6,183.9</u>

Source: ASCS.

Table 1.3

Payments and Crop Loans, by State in the
Northern Plains Region, 1985

<u>Northern Plains states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Kansas	90,260	\$ 418.1	46,052	\$ 951.4
Nebraska	68,545	414.1	38,272	1,408.7
North Dakota	49,911	363.2	27,970	734.7
South Dakota	<u>33,687</u>	<u>176.9</u>	<u>15,019</u>	<u>349.8</u>
Total	<u>242,403</u>	<u>\$1,372.3</u>	<u>127,313</u>	<u>\$3,444.6</u>

Source: ASCS.

Table 1.4

Payments and Crop Loans, by State in
the Lake States Region, 1985

<u>Lake States states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Michigan	19,159	\$104.8	6,751	\$ 263.5
Minnesota	52,785	366.6	33,239	1,363.4
Wisconsin	<u>19,620</u>	<u>99.7</u>	<u>5,244</u>	<u>176.7</u>
Total	<u>91,564</u>	<u>\$571.1</u>	<u>45,234</u>	<u>\$1,803.6</u>

Source: ASCS.

Table 1.8

Payments and Crop Loans, by State in
the Mountain Region, 1985

<u>Mountain states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Arizona	2,162	\$ 84.6	527	\$ 68.7
Colorado	13,408	106.4	5,603	214.8
Idaho	9,629	94.6	3,679	104.1
Montana	17,771	177.9	2,480	37.6
Nevada	125	1.1	6	.6
New Mexico	3,602	31.8	1,563	50.1
Utah	1,672	8.5	282	5.7
Wyoming	<u>1,178</u>	<u>7.2</u>	<u>357</u>	<u>5.7</u>
Total	<u>49,547</u>	<u>\$512.1</u>	<u>14,497</u>	<u>\$487.3</u>

Source: ASCS.

Table 1.9

Payments and Crop Loans, by State in
the Appalachian Region, 1985

<u>Appalachian states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Kentucky	11,167	\$ 31.6	3,536	\$121.6
North Carolina	13,099	40.8	3,326	98.5
Tennessee	13,456	54.4	6,076	125.1
Virginia	4,545	13.8	1,154	38.4
West Virginia	<u>348</u>	<u>1.1</u>	<u>55</u>	<u>3.1</u>
Total	<u>42,615</u>	<u>\$141.7</u>	<u>14,147</u>	<u>\$386.7</u>

Source: ASCS.

Table 1.10

Payments and Crop Loans, by State in
the Pacific Region, 1985 Crop

<u>Pacific states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Alaska	12	\$.2	0	\$ 0
California	10,490	228.4	1,270	188.7
Hawaii	0	0	0	0
Oregon	6,171	51.4	1,811	57.8
Washington	<u>10,596</u>	<u>118.4</u>	<u>5,502</u>	<u>170.0</u>
Total	<u>27,269</u>	<u>\$398.4</u>	<u>8,583</u>	<u>\$416.5</u>

Source: ASCS.

Table 1.5

Payments and Crop Loans, by State
in the Northeast Region, 1985

<u>Northeast states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Connecticut	20	\$.1 ^a	2	\$.1
Delaware	413	3.0	128	8.7
Maine	90	.3	13	.3
Maryland	2,021	11.9	569	32.5
Massachusetts	11	.1 ^a	1	.1 ^a
New Hampshire	0	0	0	0
New Jersey	446	2.6	122	6.0
New York	4,649	25.4	1,087	46.6
Pennsylvania	5,036	15.0	1,224	34.1
Rhode Island	4	.1 ^a	0	0
Vermont	<u>53</u>	<u>.1</u>	<u>1</u>	<u>.1^a</u>
Total	<u>12,743</u>	<u>\$58.3</u>	<u>3,147</u>	<u>\$128.4</u>

^aTotal is less than \$100,000.

Source: ASCS.

Table 1.6

Payments and Crop Loans, by State in the
Delta States Region, 1985

<u>Delta States states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Arkansas	21,730	\$288.0	8,394	\$490.2
Louisiana	15,332	158.3	5,374	143.6
Mississippi	<u>11,922</u>	<u>171.9</u>	<u>4,606</u>	<u>225.6</u>
Total	<u>48,984</u>	<u>\$618.2</u>	<u>18,374</u>	<u>\$859.4</u>

Source: ASCS.

Table 1.7

Payments and Crop Loans, by State in
the Southeast Region, 1985

<u>Southeast states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Alabama	7,674	\$ 52.2	2,376	\$ 75.1
Florida	1,095	5.7	143	3.5
Georgia	10,074	65.0	2,534	89.2
South Carolina	<u>4,576</u>	<u>31.5</u>	<u>1,253</u>	<u>46.2</u>
Total	<u>23,419</u>	<u>\$154.4</u>	<u>6,306</u>	<u>\$214.0</u>

Source: ASCS.

Table 1.11

Payments and Crop Loans, by State in
the Southern Plains Region, 1985

<u>Southern Plains states</u>	<u>Payments</u>		<u>Crop loans</u>	
	<u>Number of producers</u>	<u>Amount (millions)</u>	<u>Number of producers</u>	<u>Amount (millions)</u>
Oklahoma	37,459	\$205.9	19,963	\$ 332.6
Texas	<u>78,037</u>	<u>694.7</u>	<u>35,350</u>	<u>961.2</u>
Total	<u>115,496</u>	<u>\$900.6</u>	<u>55,313</u>	<u>\$1,293.8</u>

Source: ASCS.

SECTION 2

DISTRIBUTION OF PAYMENTS BY CROP AND SIZE OF PAYMENT

In this section, we provide information on the number of producers and amount of payments by crop and size of payment in the 1985 crop year. Producers receiving less than \$10,000 received about 34 percent of the \$6.3 billion in payments. Producers receiving at least \$50,000 accounted for about 13 percent of the payments. Also, there was a concentration of producers and payments in the "corn only," "wheat only," and "wheat and feed grains" crop categories. About 70 percent of the payments went to producers in these categories.

Table 2.1

Number of Producers Receiving Payments, by Crop and Size of Payment, 1985

<u>Crops</u>	------(Dollars in thousands)-----						<u>Total</u>
	<u>50 and over</u>	<u>40 to 49</u>	<u>30 to 39</u>	<u>20 to 29</u>	<u>10 to 19</u>	<u>Less than 10</u>	
Wheat only	523	1,498	1,788	3,931	12,416	180,135	200,291
Corn only	1,215	1,310	2,558	7,150	30,430	296,865	339,528
Rice only	2,268	992	959	1,413	2,294	12,703	20,629
Cotton only	4,798	1,693	1,866	2,633	4,295	39,968	55,253
Feed grains	90	100	190	491	1,945	33,024	35,840
Wheat and feed grains	2,088	4,046	5,923	13,037	37,183	209,031	271,308
Rice and other crops	765	751	668	934	1,293	3,127	7,538
Cotton and other crops	2,835	2,337	2,361	3,602	6,072	28,542	45,749
Other combinations	<u>894</u>	<u>470</u>	<u>371</u>	<u>400</u>	<u>601</u>	<u>1,052</u>	<u>3,788</u>
 Total	<u>15,476</u>	<u>13,197</u>	<u>16,684</u>	<u>33,591</u>	<u>96,529</u>	<u>804,447</u>	<u>979,924</u>

Source: ASCS.

Table 2.2
Amount of Payments to Producers, by Crop and Size of Payment, 1985

<u>Crop</u>	(Dollars in thousands)					
	<u>50</u> <u>and over</u>	<u>40 to</u> <u>49</u>	<u>30 to</u> <u>39</u>	<u>20 to</u> <u>29</u>	<u>10 to</u> <u>19</u>	<u>Less</u> <u>-</u>
Wheat only	\$ 27,163,199.53	\$ 68,808,072.70	\$ 61,627,790.41	\$ 95,072,580.84	\$172,641,402.82	\$333,65
Corn only	64,642,182.21	58,349,581.06	87,749,558.81	171,986,475.69	416,111,560.71	869,92
Rice only	116,196,821.93	45,097,470.52	33,342,846.47	34,815,032.43	33,306,278.19	31,62
Cotton only	245,822,381.75	76,628,588.74	65,033,405.96	64,850,271.58	62,146,230.08	84,15
Feed grains	4,591,908.65	4,450,477.18	6,492,252.03	11,756,620.01	26,910,949.87	62,90
Wheat and feed grains	109,564,873.72	182,946,179.50	204,103,736.62	316,518,954.63	520,844,256.78	664,05
Rice and other crops	39,911,406.44	34,102,076.32	23,460,069.31	23,181,861.31	19,151,950.96	12,02
Cotton and other crops	150,336,786.58	106,260,534.01	82,015,500.02	88,571,043.50	87,539,032.60	84,30
Other combinations	<u>46,411,508.97</u>	<u>21,444,281.58</u>	<u>12,966,733.00</u>	<u>9,848,938.68</u>	<u>8,760,157.54</u>	<u>4,76</u>
Total	<u>\$804,641,069.78</u>	<u>\$598,087,261.61</u>	<u>\$576,791,892.63</u>	<u>\$816,601,778.67</u>	<u>\$1,347,411,819.55</u>	<u>\$2,147,60</u>

Source: ASCS.

SECTION 3

DISTRIBUTION OF CROP LOANS BY CROP AND SIZE OF LOAN

In this section, we provide information on the number of producers and amount of crop loans by crop and size of loan in the 1985 crop year. Producers with loans of less than \$25,000 accounted for about 18 percent of the loan amounts. Producers with loans of \$200,000 or more accounted for about 16 percent of the loan amounts. The "soybean/feed grains" and "corn only" crop categories were, respectively, the largest in terms of loan amounts. Together, they accounted for about 54 percent of the loan amounts.

Table 3.1
Number of Producers Taking Out Crop Loans, by Crop and Size of

<u>Crop</u>	-----(Dollars in thousands)-----					
	<u>500</u> <u>over</u>	<u>200 to</u> <u>499</u>	<u>150 to</u> <u>199</u>	<u>100 to</u> <u>149</u>	<u>50 to</u> <u>99</u>	<u>25 to</u> <u>49</u>
Corn only	56	1,025	1,021	2,760	10,739	21,003
Wheat only	22	191	315	998	4,612	10,460
Cotton only	52	414	365	917	2,361	3,246
Rice only	22	59	83	273	855	965
Soybeans only	11	42	50	135	846	2,812
Feedgrains	5	45	33	130	603	1,797
Wheat/feedgrains	35	680	900	2,323	7,706	10,458
Rice/other	13	93	82	208	437	244
Cotton/other	19	240	252	568	1,492	1,720
Soybeans/feedgrains	172	2,726	2,686	7,132	21,385	24,955
Other	<u>60</u>	<u>800</u>	<u>737</u>	<u>1,728</u>	<u>4,518</u>	<u>4,630</u>
Total	<u>467</u>	<u>6,315</u>	<u>6,524</u>	<u>17,172</u>	<u>55,554</u>	<u>82,290</u>

Source: ASCS.

Table 3.2
Amount of Crop Loans, by Crop and Size of Loan, 1985

Crop	(Dollars in thousands)					
	500 and over	200 to 499	150 to 199	100 to 149	50 to 99	25 to 49
Corn only	\$ 40,421,175.97	\$ 278,914,839.74	\$ 175,298,915.59	\$ 332,807,507.58	\$ 734,707,659.51	\$ 733,635,546.97
Wheat only	20,660,691.98	50,520,474.69	53,900,115.21	118,894,552.43	312,565,169.02	364,929,874.64
Cotton only	41,556,695.18	116,995,508.43	62,905,641.11	110,599,547.95	166,304,812.23	115,375,470.86
Rice only	197,977,240.78	17,140,464.25	14,319,228.66	32,376,174.14	59,669,306.04	35,006,492.15
Soybeans only	8,849,145.16	11,650,280.00	8,426,239.67	16,253,450.64	56,785,550.05	94,953,672.68
Feedgrains	6,663,139.26	13,508,802.71	5,661,888.48	15,661,324.69	40,725,869.86	61,588,921.80
Wheat/feedgrains	34,026,557.83	182,467,642.68	154,745,023.32	281,200,082.02	535,491,061.87	374,356,411.16
Rice/other	155,791,185.89	26,691,058.36	14,062,035.88	25,494,298.36	31,577,064.20	9,243,857.11
Cotton/other	13,514,800.75	67,222,343.97	42,943,163.26	68,459,549.58	105,383,223.30	61,972,563.35
Soybeans/feedgrains	127,966,642.99	745,340,442.18	460,639,519.70	862,020,264.67	1,502,999,521.93	907,502,822.35
Other	<u>45,098,308.72</u>	<u>224,578,221.30</u>	<u>126,764,601.42</u>	<u>209,016,686.49</u>	<u>320,340,767.34</u>	<u>168,695,113.84</u>
Total	<u>\$692,525,584.51</u>	<u>\$1,735,030,078.31</u>	<u>\$1,119,666,372.30</u>	<u>\$2,072,783,438.55</u>	<u>\$3,866,550,005.35</u>	<u>\$2,927,260,746.91</u>

Source: ASCS.

MAJOR CONTRIBUTORS TO THIS FACT SHEET

Resources, Community, and Economic Development Division,
Washington, D.C.

Brian P. Crowley, Senior Associate Director, (202) 275-5138
William E. Gahr, Associate Director
John P. Hunt, Group Director
Robert E. Levin, Evaluator-in-Charge

Kansas City Regional Office

Donald L. Ficklin, ADP Specialist

(029161)

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