

USDA Layoffs and Office Closures Jeopardize Essential Services to Farmers, Risk Widespread Disruption of Food Supply Chain

FOR IMMEDIATE RELEASE

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WASHINGTON, DC, April 24, 2025 - The <u>USDA has shared plans</u> to close one of its two main headquarters in DC and lay off an additional 10% of its workforce – a decision signaling troubling times ahead for farmers, ranchers, and all of us who rely on them. This announcement follows a major wave of firings in February, and the <u>extension of the federal hiring freeze</u>. Amidst the confusion and lack of transparency clouding Washington, specific numbers remain elusive and no official count exists publicly. However, the <u>Government Executive</u> and the <u>New York Times</u> estimate that about 6% of all employees at USDA – or, 6,000 people – were fired. These employees were <u>later temporarily reinstated</u> thanks to an order by the Merit Systems Protection Board, but many fear being fired a second time. Another <u>16,000 employees have recently accepted</u> the department's "deferred resignation" offer, which allows workers to resign while continuing to receive salary and benefits until September. Combined, these mass layoffs represent more than 20% of the USDA's total workforce.

In addition to massive layoffs, USDA will close one of its two main headquarters in Washington, DC, following the <u>termination of leases</u> in March of more than 100 local and regional USDA agency offices of the Natural Resources Conservation Service (NRCS), the Farm Service Agency (FSA), and others. This will further shrink the department's operational footprint at a time when demand for its services already exceeds capacity, and many fear we are on the brink of a new farm crisis driven by persistently volatile prices and declining farm income. With spring planting underway and farmers racing to get crops in the ground, reliable access to the credit and technical assistance the department provides is more critical than ever.

Slashing the USDA's workforce and shuttering its offices will lead to dysfunction. For more than a century, farmers, ranchers, and rural communities have relied on the essential services offered by these long-established agencies to run their businesses that feed the rest of us. The devastating impacts of these closures will reach far beyond farm country and right into people's kitchens, food pantries, and the entire economic food chain.

Our coalition and farmer-members are especially concerned about the FSA and NRCS, both of which were already under-resourced and unable to fulfill existing demand for services. In 2023, FSA received more than 32,000 loan applications, and distributed more than \$4 billion in credit. In late 2024, the NRCS shared its plans to give more than \$5.7 billion in conservation and resource grants to farmers. These are programs that provide farmers the loans they need to plant their crops and purchase equipment, help farmers bolster disaster preparedness, and support new generations of farmers to enter the sector, among many other benefits.

The essential services and programs offered by USDA need to be bolstered, not diminished. By shrinking capacity and staff help, farmers will be burdened with longer wait times, reduced access to credit, and weakened support in times of crisis or natural disaster. These impacts could take years to recover from, creating even more volatility for farmers – especially the independent rural farmers, young and beginning farmers, and farmers of color who most rely on USDA services and are most vulnerable to market disruptions.

NFFC has always been in favor of reforms to USDA programs that would improve services and shift funding from corporate agribusinesses to those often overlooked by the private sector. But cutting down public institutions such as USDA doesn't eliminate the need for their services. Instead, it opens the door for private companies to take advantage of the disruption and profiteer from farmers at a higher cost for services, with less transparency and accountability.

Essential government services are not optional. What farmers – and all of us – need is not less government, but one that is not controlled by corporations and is better resourced, more responsive, and focused on equity to ensure rural communities can not only be resilient, but thrive.

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Since 1986, the <u>National Family Farm Coalition</u> has been mobilizing family farmers and ranchers to achieve fair prices, vibrant communities, and healthy foods free of corporate domination. Today, NFFC's 30 member groups span 44 states and represent family farmers, ranchers, and fishermen across the United States.