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THE FARM SECURITY ADMINISTRATION

A Brief Statement of Its Activities and History

The Farm Security Administration provides supervised credit and special services to help operators of small farms put their work on a sound, profitable basis and have better living conditions. Loans are made to farmers who cannot obtain the credit they need on reasonable terms from any other source. The loans are of two general types: (1) Rural rehabilitation, or operating, loans made for livestock, equipment, feed, seed, and other farm requirements and family living needs; (2) 40-year loans to enable tenants, sharecroppers, and farm laborers to buy farms under terms of the Bankhead-Jones Farm Tenant Act; World War II veterans are eligible for these loans just as if they were farm tenants.

Included in FSA's services are: Assistance in setting up group health care plans to help low-income farmers obtain medical, dental, and hospital care at prices they can afford; and loans to enable farmers to buy for group use the equipment and high-grade sires they cannot obtain individually. The FSA also administers the water-facilities program of the Department through which loans and technical services are offered farmers and farmers' groups in 17 Western States to enable them to construct or repair needed water facilities.

The Administration was created in September, 1937, and took over most of the work which had been carried on by the Resettlement Administration. This Administration, which itself was preceded by the Federal Emergency Relief Administration and the State Rehabilitation Corporations, was created by Executive Order 7027, April 30, 1935.

Brought into it (as Resettlement Administration) were the Federal Emergency Relief Administration's land program, and (on July 1, 1935), the Federal Emergency Relief Administration's rural rehabilitation program, as well as the Land Policy Section of the then Agricultural Adjustment Administration, and the State land planning consultants of the National Resources Board. Executive Order 7041, May 15, 1935, transferred the 33 projects of the Department of the Interior's Subsistence Homesteads Division to the Resettlement Administration, and on September 1, 1935, the farm debt-adjustment program of the Farm Credit Administration was made a function of the agency.

After operating 20 months as an independent agency, the Resettlement Administration became part of the Department January 1, 1937, by Executive Order 7530. By Secretary's Memorandum the following September 1, the agency was replaced by the Farm Security Administration, and significant changes were made in functions.

In addition to its rehabilitation program and responsibility for managing resettlement projects started by the Resettlement Administration and other agencies, the Farm Security Administration was given the job of administering the farm-ownership program established by the Bankhead-Jones Farm Tenant Act approved by the President July 22, 1937. At the same time the Administration's Land Utilization Division was transferred to the Bureau of Agricultural Economics.



On August 28, 1937, Congress passed the act authorizing the Department's water-facilities program. By Secretarial action, several agencies, including FSA, cooperated in carrying out the work. At the beginning of the 1943 fiscal year, full administration of the operating phases was vested in FSA.

The Administrator of the Federal Works Agency, acting under the Lanham Act of 1940, called on FSA to build several defense housing projects, and under the Urgent Deficiency Appropriation Acts of 1941 the President designated the Administration to provide temporary defense shelter. All its defense housing activities, as well as the 42 nonfarm projects, subsistence homesteads, and greenbelt towns, were transferred during 1942 to the National Housing Agency, set up by Executive Order 9070, February 24, 1942.

The 152 farm projects, most of which were inherited from the Resettlement Administration, are being liquidated, and the farms sold mostly to resident families.

The Administration's farm labor activities, including 95 farm labor supply centers and the wartime programs for transporting domestic and foreign workers into labor-shortage areas, were transferred to the Office of Labor, War Food Administration, July 1, 1943.

The functions of FSA relating to the water conservation and utilization projects under the Wheeler-Case Act were transferred to the Soil Conservation Service March 30, 1945. The Secretary designated FSA to administer the program for assisting farmers whose crops or property were destroyed by 1943 floods, or by flood or windstorm in 1944, or by flood in 1945.

The County FSA Committees, who pass on all applications for FSA assistance, were asked late in 1944 to act as special certifying committees in connection with Government guarantees of loans to veterans from regular lending agencies for the purchase of farms or farm equipment; such loan guarantees were provided by the Servicemen's Readjustment Act of 1944. After the 1945 amendment to the Act these certifications by FSA committees were no longer required. FSA, of course, continued its own lending program for veterans.

The work of FSA is largely decentralized. There are 12 regional offices. Farmers seeking FSA credit and services apply to the local offices, located in most agricultural counties.

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