

NDSU study shows difficult situation for dry bean growers

Northharvest Bean Growers Association asked for an NDSU Agricultural Risk Policy study that showed dry bean farmers in the state and nation need help due to high input costs and low bean prices.



Market conditions have been difficult in the past year for pinto beans and black beans.

Jenny Schlecht / Agweek file photo

Historically high input costs combined with a dramatic drop in [dry bean](#) prices have resulted in one of the most difficult financial environments that growers of the crop have faced in more than a decade, according to a North Dakota State University Agricultural Risk Policy study.

Northharvest Bean Growers Association requested the \$30,000 study called "Trade, Input Costs and Net Revenue Snapshot for Dry Beans." The report was prepared by Sandro Steinbach and Shawn Arita, both NDSU Agriculture Risk Policy directors.

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Northharvest Bean Growers Association commissioned the study to substantiate what it knew was a financial strain on the bottom line of dry bean farmers, said Mitch Coulter, Northharvest Bean Growers Association executive director.

"Agriculture has had a tough year economically, so we knew the losses were substantial," Coulter said.

The report identified what dry bean farmers' cost of production losses were and how much losses from tariffs affected the dry bean industry.

What the report showed

The 2024-2025 marketing year has resulted in an historically difficult year for dry bean farmers, the NDSU report said. Prices in Minnesota and North Dakota declined steeply to \$21.50 to \$22 per hundredweight, which is more than 40% lower than the five-year average.

Since 2022, prices for black beans and pinto beans, the two classes that are grown on about two-thirds of U.S. dry bean acres, dropped from more than \$42 per hundredweight in 2022 to \$27.42 per hundredweight in 2025, a 35% decline.

The price decline in the month of September when benchmark prices were more than 50% lower in 2025 than they were in 2021 highlighted the contrast, the report said. In September 2021 the prices were \$46.64 per hundredweight and in 2025 they were \$22.80, or \$23.84 lower than in 2021.



Cost of production of dry beans has surged while market prices have in some cases been cut in half.

Emily Beal / Agweek file photo

The impact to farmers was exacerbated by the increase in per acre production costs, the report said. The average production costs of North Dakota dry bean farmers was \$490 per acre in 2025, which was 27% higher than 2016. Direct costs such as seed, fertilizer, chemicals and fuel made up most of the increase and indirect costs. Indirect costs, including land and machinery, also contributed to the increase in production.

Costs rose 20% during the same period nationally to \$539 per acre, and though prices have moderated in the fertilizer and energy markets, state and national costs remain about \$100 per acre higher than in 2016, which has resulted in tight budgets and shaky margins, according to the report.

The disparity between prices to growers and their costs of producing dry beans has resulted in negative net revenue. In September 2025, based on dry bean prices in North Dakota and Minnesota, revenue losses were \$50

per acre if yields were average. The losses increased to \$130 per acre if long-term yields were used to determine the revenue losses.

Nationally, the revenue losses ranged from \$63 million to \$151 million depending on the yield benchmark. Higher yields in 2025 mitigated the losses relative to historical averages, but margins remain "under water," the report said.

"This highlights the sensitivity of producer outcomes to yield variation and underscores the exposure of dry bean growers to price and cost volatility," it said.

Purchases of dry beans by the U.S. government have buffered the dry bean market when it has been stressed, but the support is not consistent, the report said. For example, between fiscal years 2012 and 2024, the U.S. Agriculture Department bought \$415 million worth of dry beans, including annual purchases of \$11 million to \$14 million for the school lunch program.

However, Section 32 "bonus" purchases account for nearly half or \$197 million of the U.S. government spending on dry beans. The purchases surged between fiscal years 2016 and 2018 and in 2023 when they peaked at \$68 million. Other temporary programs, such as COVID relief in 2021-2022 added short-term price support.

The U.S. government dry bean purchases, which can significantly absorb market surplus, are countercyclical tools, not stable market channels, the report noted.

Entitlement demand adds stability to the market while other temporary programs such as Section 32 can reduce the dry bean surplus when there are surpluses, trade issues or crises. That means that U.S. government demand can be a significant outlet for dry beans in certain years, but that is contingent on policy activation and not as a long-term stable market channel, the report said.

Trade conditions, including improvement in Mexico's dry bean production and increased competition from Argentina, increase the pressure on markets but don't have as much of an effect on it as domestic factors.

The data shows that the dry bean sector has higher costs, structurally, revenues are under water and income stability depends on whether formal processes, rather than only on ad hoc programs, can provide a healthier and more reliable safety net, the Trade, Input Costs and Net Revenue Snapshot for Dry Beans report concluded.

Federal program help



Mitch Coulter is Northarvest Bean Growers Association executive director.

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Coulter and the board of directors weren't surprised by the substantial losses dry bean farmers had this year and believe financial assistance is

warranted.

"Our guys need help. There's no doubt about that," Coulter said.

In the past the U.S. Department of Agriculture has used a variety of programs and mechanisms to support farmers and industry members during hard economic times. When the board of directors initiated the study, members didn't know if an assistance program would be available, so members wanted to provide the USDA with loss data that was equivalent to program crops so the agency would keep dry bean farmers in consideration, Coulter said.

"The report was timely and did provide supportive data for appropriators, legislators, and the agency staff to consider when developing an assistance program," Coulter said. "Northharvest sent farmer leaders in December to share the publication in Washington D.C., which was very well received," he said.

[The USDA in December announced the Farmer Bridge Assistance program](#) to assist farmers facing high input costs and low crop prices. The \$12 billion program included \$11 billion for row crops and \$1 billion for specialty crops. The U.S. Agriculture Department categorizes dry beans as a specialty crop.

On Feb. 13, 2026, USDA announced the [Assistance for Specialty Crop Farmers program](#). Though USDA won't release specialty crop payment rates until the end of March, farmers have until March 13, 2026, to apply online for the program by ensuring their 2025 crop acreage reports are factual and accurate with their local Farm Service Agency office.

While it's unknown what amount the payments will be, dry bean farmers will be included in the program. Coulter said he's proud of the Northharvest Bean Growers Association board members for their proactive work to ensure that dry bean farmers across the United States were included.

The NDSU Agriculture Risk Policy report estimated that per acre payments could range from \$28.94 per acre to \$83.48, based on previous assistance programs, average yields and average dry bean prices in North Dakota and Minnesota. That could stabilize the market and benefit farmers who grow dry beans where the decline in the basis was the most severe, the report said.