

Alaska FSA Newsletter - February 1, 2022

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## Welcome Shelby Johnson, Southern County Executive Director

Shelby Johnson is our new County Executive Director (CED) in the Southern County Office in Palmer. We're excited to have Shelby on the team! Please give Shelby a call at 907-761-7773 or email her at <a href="mailto:Shelby.johnson@usda.gov">Shelby.johnson@usda.gov</a> if she can assist you with any of the FSA programs or just to introduce yourself. Shelby came from Holbrook, Arizona where she was CED for 4 years and prior to that she was CED in New Mexico. Shelby comes to us with her husband Ty and 2-year-old son, Shady. They are excited for a new adventure and to make Alaska home.

# Feb. 4 Deadline for the Organic and Transitional Education and Certification Program

Feb. 4 is the deadline for agricultural producers who are certified organic, or transitioning to organic, to apply for the Organic and Transitional Education and Certification Program (OTECP). Signup for OTECP, administered by USDA's Farm Service Agency (FSA), began Nov. 8.

Certified operations and transitional operations may apply for OTECP for eligible expenses paid during the 2020 and 2021 fiscal years during this signup period. Signup for the 2022 fiscal year will be announced at a later date.

For each year, OTECP covers 25% of a certified operation's eligible certification expenses, up to \$250 per certification category (crop, livestock, wild crop, handling and State Organic Program fee). This includes application fees, inspection fees, USDA organic certification costs, state organic program fees and more.

Crop and livestock operations transitioning to organic production may be eligible for 75% of a transitional operation's eligible expenses, up to \$750, for each year. This includes fees charged by a certifying agent or consultant for pre-certification inspections and development of an organic system plan.

For both certified operations and transitional operations, OTECP covers 75% of the registration fees, up to \$200, per year, for educational events that include content related to organic production and handling in order to assist operations in increasing their knowledge of production and marketing practices that can improve their operations, increase resilience and expand available marketing opportunities. Additionally, both certified and transitional operations may be eligible for 75% of the expense of soil testing required under the National Organic Program (NOP) to document micronutrient deficiency, not to exceed \$100 per year.

Producers apply through their local FSA office and can also obtain one-on-one support with applications by calling 877-508-8364. The program application and additional information can be found at <a href="mailto:farmers.gov/otecp">farmers.gov/otecp</a>.

#### **Additional Organic Support**

OTECP builds upon USDA's <u>Organic Certification Cost Share Program (OCCSP)</u> which provides cost share assistance of 50%, up to a maximum of \$500 per scope, to producers and handlers of agricultural products who are obtaining or renewing their certification under the NOP. Although the application period for OCCSP ended Nov. 1, 2021, FSA will consider late-filed applications for those operations who still wish to apply.

Meanwhile, USDA's Risk Management Agency (RMA) recently <u>made improvements to Whole-Farm Revenue Protection</u> to make it more flexible and accessible to organic producers.

To learn more about USDA's broader assistance for organic producers, visit <u>usda.gov/organic</u>.

## Northern and Sothern County Farm Service Agency Announces County Committee Election Results

Northern and Southern County U.S. Department of Agriculture (USDA) Farm Service Agency's (FSA) announced that County Committee elections are over and the ballots have been counted.

For the Northern County Farm Service Agency, Matthew Bates of Delta Junction, AK was elected to represent local administrative area (LAA) 3. Kelly Patton of Delta Junction, AK will serve as the first alternate.

For the Southern County Farm Service Agency, Rita Jo Shoultz of Frirz Creek, AK was elected to represent local administrative area (LAA) 1. Paulette Selkirk of Kodiak, AK will serve as the first alternate.

#### Alaska 2022 County Office Committee Structure

#### **Northern Committee members (COC)**

Rebecca Hammond, Chair LAA-1 Steven Helkenn, LAA-2 Matthew Bates, LAA-3

#### Southern Committee members (COC)

Rita Jo Shoultz, LAA-1 Abby Ala, LAA-2 Janet Dinwiddie, Chair LAA-3

County committee members are a critical component of the day-to-day operations of FSA. They help deliver programs at the county level and work to serve the needs of local producers. All recently elected county committee members took office in January 2022 and will be joining the existing committee. Every FSA office is required to have a county committee, which are made up of local farmers, ranchers and foresters elected by local producers.

County committee members impact the administration of FSA within a community by applying their knowledge and judgment to help FSA make important decisions on commodity support programs, conservation programs, indemnity and disaster programs, emergency programs and eligibility.

County committee members serve local producers through their decision making and help shape the culture of a local FSA office. They also ensure the fair and equitable administration of FSA farm programs in their counties and are accountable to the Secretary of Agriculture. Members conduct hearings and reviews as requested by the state committee, ensure underserved farmers, ranchers and foresters are fairly represented, make recommendations to the state committee on existing programs, monitor changes in farm programs and inform farmers of the purpose and provisions of FSA programs. They also assist with outreach and inform underserved producers, such as beginning farmers, ranchers and foresters, about FSA opportunities.

For more information, visit the FSA website at <u>fsa.usda.gov/elections</u> or contact the Northern County Office at (907) 895-4242 or Shelby Johnson, Southern County Executive Director at (907) 761-7773 <u>shelby.johnson@usda.gov</u>.

## **USDA Provides Additional Pandemic Assistance** to Hog Producers

The U.S. Department of Agriculture (USDA) announced a new program to assist hog producers who sold hogs through a negotiated sale during the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic. The Spot Market Hog Pandemic Program (SMHPP) is part of USDA's Pandemic Assistance for Producers initiative and addresses gaps in previous assistance for hog producers. USDA's Farm Service Agency (FSA) will accept applications Dec. 15, 2021 through Feb. 25, 2022.

SMHPP provides assistance to hog producers who sold hogs through a negotiated sale from April 16, 2020 through Sept. 1, 2020. Negotiated sale, or negotiated formula sale, means a sale of hogs by a producer to a packer under which the base price for the hogs is determined by seller-buyer interaction and agreement on a delivery day. USDA is offering SMHPP as packer production was reduced due to the COVID-19 pandemic due to employee illness and supply chain issues, resulting in fewer negotiated hogs being procured and subsequent lower market prices.

The Department has set aside up to \$50 million in pandemic assistance funds through the Coronavirus Aid, Relief and Economic Security (CARES) Act for SMHPP.

#### **SMHPP Program Details**

Eligible hogs include hogs sold through a negotiated sale by producers between April 16, 2020, and Sept. 1, 2020. To be eligible, the producer must be a person or legal entity who has ownership in the hogs and whose production facilities are located in the United States, including U.S. territories. Contract producers, federal, state and local governments, including public schools and packers are not eligible for SMHPP.

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of \$54 per head. FSA will issue payments to eligible hog producers as applications are received and approved.

#### **Applying for Assistance**

Eligible hog producers can apply for SMHPP starting Dec. 15, 2021, by completing the FSA-940, Spot Market Hog Pandemic Program application. Additional documentation may be required. Visit <a href="mailto:farmers.gov/smhpp">farmers.gov/smhpp</a> for a copy of the Notice of Funds Availability, information on applicant eligibility and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit <u>farmers.gov/service-locator</u>. Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

# USDA Announces Conservation Reserve Program Signups for 2022

Agricultural producers and landowners can sign up soon for the Conservation Reserve Program (CRP), a cornerstone conservation program offered by the U.S. Department of Agriculture (USDA) and a key tool in the Biden-Harris

Administration effort to address climate change and achieve other natural resource benefits. The General CRP signup will run from **Jan. 31 to March 11**, and the Grassland CRP signup will run from **April 4 to May 13**.

Producers and landowners enrolled 4.6 million acres into CRP signups in 2021, including 2.5 million acres in the largest Grassland CRP signup in history. There are currently 22.1 million acres enrolled, and FSA is aiming to reach the 25.5-million-acre cap statutorily set for fiscal year 2022.

#### **CRP Signups**

General CRP helps producers and landowners establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality and enhance wildlife habitat on cropland.

Meanwhile, Grassland CRP is a working lands program, helping landowners and operators protect grassland, including rangeland and pastureland and certain other lands, while maintaining the areas as working grazing lands. Protecting grasslands contributes positively to the economy of many regions, provides biodiversity of plant and animal populations and provides important carbon sequestration benefits to deliver lasting climate outcomes.

Alongside these programs, producers and landowners can enroll acres in Continuous CRP under the ongoing sign up, which includes projects available through the Conservation Reserve Enhancement Program (CREP) and State Acres for Wildlife Enhancement (SAFE).

#### **Climate Benefits**

Last year, FSA enacted a Climate-Smart Practice Incentive for CRP General and Continuous signups, to better target CRP on addressing climate change. This incentive aims to increase carbon sequestration and reduce greenhouse gas emissions. CRP's climate-smart practices include establishment of trees and permanent grasses, development of wildlife habitat and wetland restoration. The Climate-Smart Practice Incentive is annual, and the amount is based on the benefits of each practice type.

Additionally, in order to better target the program toward climate outcomes, USDA invested \$10 million last year in the CRP Monitoring, Assessment and Evaluation (MAE) program to measure and monitor the soil carbon and climate resilience impacts of conservation practices over the life of new CRP contracts. This will enable the agency to further refine the program and practices to provide producers tools for increased climate resilience.

#### More Information on CRP

Landowners and producers interested in CRP should contact their local <u>USDA Service</u> <u>Center</u> to learn more or to apply for the program -- for General CRP before the **March 11 deadline**, and for Grassland CRP before the **May 13 deadline**. Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Due to the pandemic, some <u>USDA Service Centers</u> are open to limited visitors. Additionally, fact sheets and other resources are available at fsa.usda.gov/crp.

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits.

## Higher Loan Limit Now Available for USDA Guaranteed Farm Loans

USDA Extends Disaster Set-Aside for Direct Loans Until 2022

The U.S. Department of Agriculture (USDA) announced a higher loan limit will be available for borrowers seeking a guaranteed farm loan starting Oct. 1, 2021, from \$1.776 million to \$1.825 million.

FSA farm loans offer access to funding for a wide range of producer needs, from securing land to financing the purchase of equipment. Guaranteed loans are financed and serviced by commercial lenders. FSA provides up to a 95% guarantee against possible financial loss of principal and interest. Guaranteed loans can be used for both farm ownership and operating purposes.

In fiscal year 2021, FSA saw continued strong demand for guaranteed loans. FSA obligated more than \$3.4 billion in guaranteed farm ownership and operating loans. This includes nearly \$1.2 billion for beginning farmers. The number of guaranteed borrowers has grown by 10% to more than 38,750 farmers and ranchers over the last decade. FSA expects the increasing demand for farm loans to continue into fiscal year 2022.

#### **Disaster Set-Aside Extension**

USDA has additional support available to producers given the recent outbreaks of the COVID-19 Delta variant and has extended the availability of COVID-19 Disaster Set-Aside (DSA) for installments due through Jan. 31, 2022. In addition, FSA will permit a second DSA for COVID-19 and a second DSA for natural disasters for those who had an initial COVID-19 DSA. Requests for a COVID-19 DSA or a second DSA must be received no later than May 1, 2022.

Last year, FSA broadened the use of the DSA. Normally used in the wake of natural disasters, the DSA can now allow farmers with USDA farm loans who are affected by COVID-19 and determined to be eligible, to have their next payment set aside. The set-aside payment's due date is moved to the final maturity date of the loan or extended up to

twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This will improve the borrower's cashflow in the current production cycle.

#### **More Information**

Producers can explore available options on all FSA loan options at <a href="fsa.usda.gov">fsa.usda.gov</a> or by contacting their <a href="foat-usda.gov">local USDA Service Center</a>. Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, some <a href="USDA Service Centers">USDA Service Centers</a> are open to limited visitors. Contact your Service Center to set up an in-person or phone appointment. Additionally, more information related to <a href="USDA">USDA</a>'s response and relief for producers can be found at <a href="farmers.gov/coronavirus">farmers.gov/coronavirus</a>.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

### **Progression Lending from FSA**

Farm Service Agency (FSA) farm loans are considered progression lending. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

For more information about farm loans, please contact the Northern County FSA office at 907-895-4242 ext 150 and the Southern County FSA Office at 907-761-7773 or visit fsa.usda.gov.

Persons with disabilities who require accommodations to attend or participate in these meetings and/or events should contact the Northern County FSA Service Center, at (907) 895-4242, ext. 150, Southern County FSA Service Center, at (907) 761-7773 or Federal Relay Service at 1-800-877-8339.

### **Alaska State Farm Service Agency**

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Hours: County Committee Meetings

Monday-Friday 8:00 a.m. - 4:30 p.m. Northern Co February 8, 10:00 a.m.

www.fsa.usda.gov/ak Southern Co February 8, 7:30 a.m.

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