

California Farm Service Agency Newsletter - July 2023

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California Producers Have Until Aug. 1 to Submit FSA County Committee Nominations

California farmers and ranchers have until Aug. 1, 2023, to nominate candidates to serve on the their local County Farm Service Agency (FSA) Committee. The U.S. Department of Agriculture (USDA) accepts nominations each year in certain Local Administrative Areas (LAAs) for individuals to serve on these locally led committees.

"The Aug. 1 deadline is quickly approaching," said Blong Xiong, State Executive Director for FSA California. "Committee members play a critical role in the day-to-day operations of the agency and are vital to how FSA carries out disaster programs, as well as conservation, commodity and price support programs. This is your opportunity to have a say in how federal programs are delivered in our county."

Nationwide, more than 7,700 dedicated members of the agricultural community serve on FSA county committees. The committees are made up of three to 11 members who serve three-year terms. Individuals may nominate themselves or others and qualifying organizations may

also nominate candidates. USDA encourages minority producers, women and beginning farmers or ranchers to nominate, vote, and hold office.

Producers should contact their local FSA office today to register and find out how to get involved in their county's election, including if their LAA is up for election this year. To be considered, a producer must be registered and sign an <u>FSA-669A</u> nomination form. The form and other information about FSA county committee elections are available at <u>fsa.usda.gov/elections</u>.

Election ballots will be mailed to eligible voters beginning Nov. 6, 2023.

Urban County Committee Election Results

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) in the **Los Angeles Metropolitan Area** and the **San Francisco Bay Metropolitan Area** held its first Urban County Committee Election this year.

The urban county committee election results for Los Angeles: **Sam Kang** was elected to represent Local Administrative Area #3-1. **Michael Wood** was elected to represent Local Administrative Area #3-2. **Kelly Ann Alesi** was elected to represent Local Administrative Area #3-3.

The urban county committee election results for San Francisco Bay Metropolitan Area: **Jerome Draper** was elected to represent Local Administrative Area #3-1. **Jennifer Sowerwine** was elected to represent Local Administrative Area #3-2. **Tedd Fang** was elected to represent Local Administrative Area #3-3.

Every FSA office is served by a county committee made up of local farmers, ranchers and foresters who are elected by local producers.

Nationwide, more than 7,700 dedicated members of the agricultural community serve on FSA county committees. The committees are made up of three to 11 members who serve three-year terms. Committee members are vital to how FSA carries out disaster programs, as well as conservation, commodity and price support programs, county office employment and other agricultural issues.

Urban county committee members will provide outreach to ensure urban producers understand USDA programs and serve as the voice of other urban producers and assist in program implementation that support the needs of the growing urban community.

USDA Announces New Steps to Enhance Organic Markets and Support Producers

The USDA is taking additional steps as part of its commitment to strengthen the market for domestically grown organic goods, and to support producers seeking organic certification. These funding opportunities are part of the U.S. Department of Agriculture's (USDA) Organic

<u>Transition Initiative</u>, launched in fall 2022, which is a suite of offerings to help existing organic farmers and those transitioning to organic production and processing.

Consumer demand for organically produced goods surpassed \$67 billion in 2022, and multi-year trends of strong growth in the sector provide market incentives for U.S. farmers across a broad range of products. However, through public comment and listening sessions USDA has heard that producers may be less willing to commit to the three-year transition to organic certification because of risks related to inadequate organic processing, storage, and handling capacity, cost barriers due to limited markets for rotational crops, a lack of certainty about market access, and insufficient supply of certain organic ingredients. The organic livestock and processed product markets depend heavily on imported agricultural products for feed grains and key ingredients. These are longstanding market issues that were brought into sharp focus due to the impacts of the pandemic and international conflicts in critical overseas organic supply regions, resulting in limitations on certain domestic organic products in the face of rising demand.

Cost Share for Organic Certification

As part of USDA's broader effort to support organic producers and in response to stakeholder feedback, this year the Farm Service Agency increased the cost share amount under the Organic Certification Cost Share Program (OCCSP), which helps organic producers cover organic certification costs, to the maximum amount allowed by statute.

Specifically, FSA will cover up to 75% of costs associated with organic certification, up to \$750 for crops, wild crops, livestock, processing/handling and state organic program fees (California only). OCCSP will cover costs incurred from Oct. 1, 2022, through Sept. 30, 2023.

FSA begins accepting applications for OCCSP Monday, May 15. Applications are due Oct. 31, 2023. To apply, producers and handlers should contact the FSA at their local <u>USDA Service Center</u>. As part of completing the OCCSP application, producers and handlers will need to provide documentation of their organic certification and eligible expenses. Organic producers and handlers may also apply for OCCSP through participating state departments of agriculture.

FSA is also accepting applications from state departments of agriculture to administer OCCSP. FSA will post a synopsis of the funding opportunity on grants.gov and will send more information to all eligible state departments of agriculture. Additional details can be found on the OCCSP webpage. More information about these initiatives and more can be found at farmers.gov/organic-transition-initiative.

USDA Extends Deadline for Emergency Conservation Program Applications from California Producers in 52 Counties

Funding Available to Help Restore Lands to Pre-Disaster Condition, Replace or Repair Fencing

The U.S. Department of Agriculture (USDA) has extended the deadline for accepting <u>Emergency Conservation Program</u> (ECP) applications from California agricultural producers who need assistance to address damages from severe storms. The application deadline has been extended an additional six months to October 13, 2023.

"We understand the extent of the damage caused by these severe storms and the catastrophic and widespread impacts of these disasters on California's agricultural communities," said Blong Xiong, State Executive Director for the Farm Service Agency (FSA) in California. "This deadline extension will give producers more time to apply for emergency assistance and rebuild with resiliency."

ECP provides financial assistance to producers to help them restore their farmland to predisaster conditions. Approved ECP applicants may receive up to 75% of the cost of an approved restoration activity. Limited resource, socially disadvantaged, and beginning farmers and ranchers may receive up to 90% cost-share. The payment limitation for ECP is \$500,000 per disaster event.

The approved counties for ECP signup are Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial Inyo, Kern, Kings, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo and Yuba.

The approved ECP practices under this authorization for recovery include:

- · Removing debris from farmland;
- Grading, shaping, releveling, or similar measures;
- Replacing or repairing permanent fences; and
- Restoring conservation structures and other installations

Producers with damage from such events must apply for assistance prior to beginning reconstructive work. They must also work with FSA to complete the National Environmental Policy Act (NEPA) and environmental compliance review process. before they begin reconstructive work. If a producer submits an ECP application after reconstructive work has been completed, their eligibility for program benefits may be adversely impacted.

FSA county committees will evaluate applications based on an applicant's estimate or measurement of the damaged land, taking into consideration the type and extent of the damage. On-site visits will be required for every ECP application. Applying for ECP assistance does not guarantee that cost-share funding will be provided.

The use of ECP funds is limited to activities to return the land to the relative pre-disaster condition. Conservation concerns that were present on the land prior to the disaster are not eligible for ECP assistance.

More Information

For more information on ECP, please contact your local FSA office or visit <u>farmers.gov/recover</u>. To find your local FSA office visit <u>farmers.gov/service-center-locator</u>.

Additional USDA disaster assistance can be found on <u>farmers.gov</u>, including the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster Assistance-at-a-Glance</u> fact sheet, and <u>Loan Assistance Tool</u> can help producers and landowners determine program or loan options. For assistance with a crop insurance claim, producers and landowners should contact their <u>crop insurance agent</u>. For FSA and NRCS programs, they should contact their local <u>USDA Service Center</u>.

Avoid Scams Related to USDA Financial Assistance for Farmers Facing Discrimination

The Inflation Reduction Act provides \$2.2 billion in financial assistance for farmers, ranchers, and forest landowners who experienced discrimination in USDA's farm lending programs prior to January 1, 2021.

USDA has become aware of some lawyers and groups spreading misleading information about this process, pressuring people to sign retainer agreements, and asking people to fill out forms with private and sensitive information.

Application forms for this program **are not yet available** and the **application filing period has not started**. Before the application process opens, USDA will publish a list of trusted community organizations located across the country that will provide **FREE** help completing applications.

Please beware of organizations seeking to file your application for a fee. Filing an application for the program will be **FREE**. You **will not** need a lawyer to file an application for this program. If you feel the need for legal advice, seek the assistance of a trusted, licensed attorney.

Beware of solicitations by mail, email, or phone calls from individuals claiming to be connected to USDA. **USDA will not solicit you for information.**

The most up-to-date information on this program will be posted at www.farmers.gov/22007, a USDA website. Please check there for any concerns or reach out to your local FSA office. To find your local office, visit farmers.gov/service-locator.

If you believe there is an organization conducting a scam related to this process, please contact the USDA Office of the Inspector General (OIG) or any other appropriate authorities.

The USDA OIG hotline can be accessed online at https://usdaoig.oversight.gov/hotline and by phone at (800) 424-9121.

USDA Simplifies Application Process for Noninsured Crops for Underserved Producers; Improves Risk Management Accessibility

A Message from FSA Administrator Zach Ducheneaux

Earlier this year, Farm Service Agency (FSA) made several updates to disaster assistance programs to give more farmers, ranchers, and Tribes equitable access to recovery programs. Specifically, we made changes to the Noninsured Crop Disaster Assistance Program (NAP) and simplified the application process for underserved producers.

This important policy change opens the door to risk management options for producers who may not have previously known about or been able to obtain coverage to protect their crops.

NAP provides financial assistance to producers of noninsurable crops when natural disaster events cause low yields, loss of inventory, or prevented planting.

Our policy improvements mean that, beginning with the 2022 crop year, having a CCC-860 form, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, on file with FSA will provide producers with basic NAP coverage for all eligible crops. Specifically, FSA is waiving all NAP-related service fees for basic coverage for producers with a CCC-860 on file prior to the application closing date for each crop. These producers are also eligible to receive a 50% premium reduction if they elect higher levels of coverage before the application closing date for each crop.

At the end of January, FSA notified producers who already have the CCC-860 certification form on file regarding their eligibility for NAP basic coverage for 2022. If you suffered losses from natural disasters in 2022, you will need to contact your local FSA county office to file an acreage report, as well as a notice of loss, and an application for a NAP payment.

If you are interested in NAP coverage for 2023 and future years, your local FSA county office staff will be more than happy to provide information on eligibility, coverage options, and how to apply for additional coverage.

While these recent policy changes are intended to remove barriers to available benefits and help underserved producers manage risk, any producer of noninsurable crops can apply for NAP coverage by completing FSA form CCC-471, Application for Coverage, and paying a service fee. Your local FSA office can verify application closing dates and ensure coverage for your crops is available.

FSA is committed to revisiting program policies and finding ways, within our authorities, to remove obstacles that prevent participation. Expanding NAP to ensure all producers of noninsured crops have access to risk coverage is the result of proactive input from producers and the willingness of FSA employees to think outside of the box for the benefit of the producers we serve.

Please contact your local <u>USDA Service Center</u> for more information on NAP coverage options.

Is the Noninsured Crop Disaster Assistance Program Right for You?

Farmers and ranchers rely on crop insurance to protect themselves from disasters and unforeseen events, but not all crops are insurable through the USDA's Risk Management Agency. The Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides producers another option to obtain coverage against disaster for these crops. NAP provides financial assistance to producers of non-insurable crops impacted by natural disasters that result in lower yields, crop losses, or prevents crop planting.

Commercially produced crops and agricultural commodities for which crop insurance is not available are generally eligible for NAP. Eligible crops include those grown specifically for food, fiber, livestock consumption, biofuel or biobased products, or value loss crops such as aquaculture, Christmas trees, ornamental nursery, and others. Contact your local FSA office to see which crops are eligible in your state and county.

Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind or hurricanes, earthquake and flood. These events must occur during the NAP policy coverage period, before or during harvest, and the disaster must directly affect the eligible crop. For guidance on causes of loss not listed, contact your local FSA county office.

Interested producers apply for NAP coverage using FSA form CCC-471, "Application for Coverage," and pay the applicable service fee at the FSA office where their farm records are maintained. These must be filed by the application closing date, which varies by crop. Contact your local FSA office to verify application closing dates and ensure coverage for eligible NAP crops.

At the time of application, each producer acknowledges they have received the <u>NAP Basic Provisions</u>, which describes NAP requirements for coverage. NAP participants must report crop acreage shortly after planting and provide verifiable or reliable crop production records when required by FSA.

Producers are required to pay service fees which vary depending on the number of crops and number of counties your operation is located in. The NAP service fee is the lesser of \$325 per crop or \$825 per producer per administrative county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Premiums also apply when producers elect higher levels of coverage with a maximum premium of \$15,750 per person or legal entity.

A producer's certification on Form CCC-860 *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification* may serve as an application for basic NAP coverage for all eligible crops beginning with crop year 2022. These producers will have all NAP-related service fees for basic coverage waived, in addition to a 50 percent premium reduction if higher levels of coverage are elected.

For more detailed information on NAP, download the <u>NAP Fact Sheet</u>. To get started with NAP, we recommend you contact your <u>local USDA service center</u>.

Community Alliance with Family Farmers Offers Small Farm Tech Hub



How can technology help expand market opportunities and increase business efficiencies for small farms?

Community Alliance with Family Farmers (CAFF) Tech Hub is here to Help!

Free Consultation services available to small scale farmers, food hubs and farmers markets operating out of California.

Request an appointment at www.caff.org/techsupport

For any questions email <u>Techhub@caff.org</u> or visit <u>www.caff.org/techhub</u>

A Q&A on Choosing a Tax Professional

If you participate in USDA programs, it's time to start preparing to file your taxes. In this Ask the Expert, Dr. Tamara Cushing answers questions about choosing a tax professional. Dr. Cushing is an Extension Forest Business Specialist from the University of Florida who works to educate landowners, foresters and tax professionals about the economics of growing trees, tax interactions with forestry and landowner succession.

What Qualifies Someone to Complete Your Tax Return?

- Here are some qualifications to look for: A degree in accounting and possibly in taxation; maybe a law degree.
- Certification by a state licensing body or the Internal Revenue Service (IRS). This may
 include CPA, Licensed Tax Consultant (LTC), Licensed Tax Preparer (LTP), Enrolled
 Agent (EA), and tax attorney. Also, some Certified Financial Planners (CFP) can
 provide tax services. Some states require paid preparers to have specific
 qualifications to complete state tax returns and some don't. Qualified, licensed and or
 certified tax preparers may be found through various locations some of which will be
 discussed later in this Q&A.
- Some preparers may not hold educational or other professional credentials but are IRS-authorized. These preparers will have a PTIN (Preparer tax identification number) and complete continuing education courses required by the IRS and or state regulatory agency.
- All preparers should have a PTIN.

To read the full blog visit https://www.farmers.gov/blog/ask-the-expert-qa-on-choosing-tax-professional-with-tamara-cushing.

USDA Microloans Help Farmers Purchase Farmland and Improve Property

Farmers can use USDA farm ownership microloans to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013.

Microloans can also help with farmland and building purchases and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program, contact your local County USDA Service Center or visit fsa.usda.gov/microloans.

Free Farm Manager Apprentice Training

Farmers, are you searching for your future manager or supervisor? Whether you have a current employee who could use some additional training, or are seeking to hire a new team member, The Beginning Farm and Ranch Management Apprenticeship provides a structured pathway for aspiring farm managers to develop the knowledge and skills they need to be successful on your farm. The Center for Land-Based Learning covers all tuition for coursework and provides support for farmers and apprentices. To learn more about training an apprentice, visit https://landbasedlearning.org/apprentice-farmer-mentor

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