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## **FSA Encourages Farmers and Ranchers to Vote in County Committee Elections**

The 2022 Farm Service Agency County Committee Elections began on **Nov. 7, 2022**, when ballots are mailed to eligible voters. The deadline to return ballots to local FSA offices, or to be postmarked, is **Dec. 5, 2022**.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs, conservation programs, incentive indemnity and disaster programs for some commodities, emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must participate or cooperate in an FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm, may also be eligible to vote. A cooperating producer is someone who has provided information about their farming or ranching operation(s) but may not have applied or received FSA program benefits.

Producers can find out if their LAA is up for election and if they are eligible to vote by contacting their local FSA county office. Eligible voters who do not receive a ballot in the mail can request one from their local FSA county office. Visit [farmers.gov/service-locator](https://farmers.gov/service-locator) to find your local USDA Service Center and [fsa.usda.gov/elections](https://fsa.usda.gov/elections) for more information.

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## Farmers Can Now Make 2023 Crop Year Elections, Enroll in Agriculture Risk Coverage and Price Loss Coverage Programs

*Payments Issuing to Producers of 2021 Crops Triggering Safety-Net Program Payments*

Agricultural producers can now change election and enroll in the [Agriculture Risk Coverage \(ARC\) and Price Loss Coverage](#) programs for the 2023 crop year, two key safety net programs offered by the U.S. Department of Agriculture (USDA). Signup began Monday, and producers have until March 15, 2023, to enroll in these two programs. Additionally, USDA's Farm Service Agency (FSA) has started issuing payments totaling more than \$255 million to producers with 2021 crops that have triggered payments through ARC or PLC.

"It's that time of year for producers to consider all of their risk management options, including safety-net coverage elections through Agriculture Risk Coverage and Price Loss Coverage," said FSA Administrator Zach Ducheneaux. "We recognize that market prices have generally been very good, but if the ongoing COVID-19 pandemic, frequent catastrophic weather events and the Ukraine war have taught us anything, it's that we must prepare for the unexpected. It's through programs like ARC and PLC that FSA can provide producers the economic support and security they need to manage market volatility and disasters."

### 2023 Elections and Enrollment

Producers can elect coverage and enroll in ARC-County (ARC-CO) or PLC, which provide crop-by-crop protection, or ARC-Individual (ARC-IC), which protects the entire farm. Although election changes for 2023 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm and makes an election change for 2023, they must sign a new contract.

If producers do not submit their election by the March 15, 2023 deadline, their election remains the same as their 2022 election for crops on the farm. Farm owners cannot enroll in either program unless they have a share interest in the farm.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long

grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

### **Web-Based Decision Tools**

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- [Gardner-farmdoc Payment Calculator](#), a tool available through the University of Illinois allows producers to estimate payments for farms and counties for ARC-CO and PLC.
- [ARC and PLC Decision Tool](#), a tool available through Texas A&M that allows producers to obtain basic information regarding the decision and factors that should be taken into consideration such as future commodity prices and historic yields to estimate payments for 2022.

### **2021 Payments and Contracts**

ARC and PLC payments for a given crop year are paid out the following fall to allow actual county yields and the Market Year Average prices to be finalized. This month, FSA processed payments to producers enrolled in 2021 ARC-CO, ARC-IC and PLC for covered commodities that triggered for the crop year.

For ARC-CO, producers can view the [2021](#) ARC-CO Benchmark Yields and Revenues online database, for payment rates applicable to their county and each covered commodity. For PLC, payments have triggered for rapeseed and peanuts.

For ARC-IC, producers should contact their local FSA office for additional information pertaining to 2021 payment information, which relies on producer-specific yields for the crop and farm to determine benchmark yields and actual year yields when calculating revenues.

### **By the Numbers**

In 2021, producers signed nearly 1.8 million ARC or PLC contracts, and 251 million out of 273 million base acres were enrolled in the programs. For the 2022 crop year signed contracts surpassed 1.8 million, to be paid in the fall of 2023, if a payment triggers.

Since ARC and PLC were first authorized by the 2014 Farm Bill and reauthorized by the 2018 Farm Bill, these safety-net programs have paid out more than \$34.9 billion to producers of covered commodities.

### **Crop Insurance Considerations**

ARC and PLC are part of a broader safety net provided by USDA, which also includes crop insurance and marketing assistance loans.

Producers are reminded that ARC and PLC elections and enrollments can impact eligibility for some crop insurance products.

Producers on farms with a PLC election have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider; however, producers on farms where ARC is the election are ineligible for SCO on their planted acres for that crop on that farm.

Unlike SCO, the Enhanced Coverage Option (ECO) is unaffected by an ARC election. Producers may add ECO regardless of the farm program election.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres for that farm.

### **More Information**

For more information on ARC and PLC, visit the [ARC and PLC webpage](#) or contact your local [USDA Service Center](#).

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## **Dairy Producers Can Now Enroll for 2023 Signup for Dairy Margin Coverage**

Dairy producers can now enroll for 2023 coverage through the Dairy Margin Coverage (DMC) Program, an important safety net program from the U.S. Department of Agriculture (USDA) that helps producers manage changes in milk and feed prices. Last year, USDA's Farm Service Agency (FSA) took steps to improve coverage, especially for small- and mid-sized dairies, including offering a new Supplemental DMC program and updating its feed cost formula to better address retroactive, current and future feed costs. These changes continue to support producers through this year's signup, which begins today and ends Dec. 9, 2022.

"Dairy producers are the backbone of many agricultural communities across rural America," FSA Administrator Zach Ducheneaux said. "Dairy Margin Coverage provides critical assistance to our nation's small- and mid-sized dairies, helping make sure they can manage the numerous and often unpredictable uncertainties that adversely impact market prices for milk. This year showed why enrolling in DMC makes good business sense. Early in the year, some economists predicted that DMC would not trigger any payments for the calendar year, but then fast forward to now, when we're starting to see payments trigger and a return on investment."

DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer.

So far in 2022, DMC payments to more than 17,000 dairy operations have triggered for August for more than \$47.9 million. According to DMC margin projections, an indemnity payment is projected for September as well. At \$0.15 per hundredweight for \$9.50 coverage, risk coverage through DMC is a relatively inexpensive investment.

DMC offers different levels of coverage, even an option that is free to producers, aside from a \$100 administrative fee. Limited resource, beginning, socially disadvantaged or a military veteran farmers or ranchers are exempt from paying the administrative fee, if

requested. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the [online dairy decision tool](#).

### **Supplemental DMC**

Last year, USDA introduced Supplemental DMC, which provided \$42.8 million in payments to better help small- and mid-sized dairy operations that had increased production over the years but were not able to enroll the additional production. Supplemental DMC is also available for 2023.

Supplemental DMC coverage is applicable to calendar years 2021, 2022 and 2023. Eligible dairy operations with less than 5 million pounds of established production history may enroll supplemental pounds.

For producers who enrolled in Supplemental DMC in 2022, the supplemental coverage will automatically be added to the 2023 DMC contract that previously established a supplemental production history.

Producers who did not enroll in Supplemental DMC in 2022 can do so now. Producers should complete their Supplemental DMC enrollment before enrolling in 2023 DMC. To enroll, producers will need to provide their 2019 actual milk marketings, which FSA uses to determine established production history.

### **DMC Payments**

Additionally, FSA will continue to calculate DMC payments using updated feed and premium hay costs, making the program more reflective of actual dairy producer expenses. These updated feed calculations use 100% premium alfalfa hay rather than 50%. The benefits of these feed cost adjustments were realized in the recent August 2022 margin payment as current high feed and premium hay costs were considered in payment calculations.

### **More Information**

In addition to DMC, USDA offers other risk management tools for dairy producers, including the [Dairy Revenue Protection \(DRP\)](#) plan that protects against a decline in milk revenue (yield and price) and the [Livestock Gross Margin \(LGM\)](#) plan, which provides protection against the loss of the market value of livestock minus the feed costs. Both DRP and LGM livestock insurance policies are offered through the Risk Management Agency. Producers should contact their local [crop insurance agent](#) for more information.

For more information on DMC, visit the [DMC webpage](#) or contact your local [USDA Service Center](#).

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## **USDA Previews Crop and Revenue Loss Assistance for Agricultural Producers**

Agriculture Secretary Tom Vilsack recently announced plans for additional emergency relief and pandemic assistance from the U.S. Department of Agriculture (USDA). USDA is preparing to roll out the [Emergency Relief Program \(ERP\)](#) Phase Two as well as the

new [Pandemic Assistance Revenue Program \(PARP\)](#), which are two programs to help offset crop and revenue losses for producers. USDA is sharing early information to help producers gather documents and train front-line staff on the new approach.

“We have worked diligently to help agricultural producers bounce back from devastating natural disasters as well as the coronavirus pandemic through an extensive suite of programs,” said Vilsack. “No matter how well we design these targeted efforts, we often find that some producers fall through the cracks or were harmed more severely than their neighbors. These new programs apply a holistic approach to emergency assistance – an approach not focused on any one disaster event or commodity but rather one focused on filling gaps in assistance for agricultural producers who have, over the past few years, suffered losses from natural disasters and the pandemic.”

ERP Phase Two will assist eligible agricultural producers who suffered eligible crop losses, measured through decreases in revenue, due to wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture and qualifying droughts occurring in calendar years 2020 and 2021.

PARP will assist eligible producers of agricultural commodities who experienced revenue decreases in calendar year 2020 compared to 2018 or 2019 due to the COVID-19 pandemic. PARP will help address gaps in previous pandemic assistance, which was targeted at price loss or lack of market access, rather than overall revenue losses.

### **Emergency Relief Program Phase Two**

ERP is authorized under the *Extending Government Funding and Delivering Emergency Assistance Act*, which includes \$10 billion in assistance to agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021.

Phase Two builds on ERP Phase One, which was [rolled out in May 2022](#) and has since paid more than \$7.1 billion to producers who incurred eligible crop losses that were covered by federal crop insurance or Non-insured Crop Disaster Assistance Program.

ERP Phase Two includes producers who suffered eligible losses but may not have received program benefits in Phase One. To be eligible for Phase Two, producers must have suffered a loss in allowable gross revenue as defined in forthcoming program regulations in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event.

Eligible crops include both traditional insurable commodities and specialty crops that are produced in the United States as part of a farming operation and are intended to be commercially marketed. Like other emergency relief and pandemic assistance programs, USDA’s Farm Service Agency (FSA) continues to look for ways to simplify the process for both staff and producers while reducing the paperwork burden. The design of ERP Phase Two is part of that effort.

In general, ERP Phase Two payments are expected to be based on the difference in certain farm revenue between a typical year of revenue as will be specified in program regulations for the producer and the disaster year. ERP Phase Two assistance is targeted to the remaining needs of producers impacted by qualifying natural disaster events, while

avoiding windfalls or duplicative payments. Details will be available when the rule is published later this year.

### **Deadline for Emergency Relief Program Phase One**

Producers who are eligible for assistance through ERP Phase One have until Friday, Dec. 16, 2022, to contact FSA at their local [USDA Service Center](#) to receive program benefits. Going forward, if any additional ERP Phase One prefilled applications are generated due to corrections or other circumstances, there will be a 30-day deadline from the date of notification for that particular application.

### **Pandemic Assistance Revenue Program**

PARP is authorized and funded by the Consolidated Appropriations Act of 2021.

To be eligible for PARP, an agricultural producer must have been in the business of farming during at least part of the 2020 calendar year and had a certain threshold decrease in allowable gross revenue for the 2020 calendar year, as compared to 2018 or 2019. Exact details on the calculations and eligibility will be available when the forthcoming rule is published.

### **How Producers Can Prepare**

ERP Phase Two and PARP will use revenue information that is readily available from most tax records. FSA encourages producers to have their tax documents from the past few years and supporting materials ready, as explained further below. Producers will need similar documentation to what was needed for the Coronavirus Food Assistance Program (CFAP) Phase Two, where a producer could use 2018 or 2019 as the benchmark year relative to the disaster year.

In the coming weeks, USDA will provide additional information on how to apply for assistance through ERP Phase Two and PARP. In the meantime, producers are encouraged to begin gathering supporting documentation including:

- Schedule F (Form 1040); and
- *Profit or Loss from Farming* or similar tax documents for tax years 2018, 2019, 2020, 2021 and 2022 for ERP and for calendar years 2018, 2019 and 2020 for PARP.

Producers should also have, or be prepared to have, the following forms on file for both ERP and PARP program participation:

- Form AD-2047, *Customer Data Worksheet* (as applicable to the program participant);
- Form CCC-902, *Farm Operating Plan* for an individual or legal entity;
- Form CCC-901, *Member Information for Legal Entities* (if applicable); and
- Form AD-1026 *Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification*.

Most producers, especially those who have previously participated in FSA programs, will likely have these required forms on file. However, those who are uncertain or want to confirm should contact FSA at their local [USDA Service Center](#).

In addition to the forms listed above, underserved producers are encouraged to register their status with FSA, using Form CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, as certain existing permanent and ad-hoc disaster programs provide increased benefits or reduced fees and premiums.

### More Information

Through proactive communications and outreach, USDA will keep producers and stakeholders informed as program eligibility, application and implementation details unfold.

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## 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](http://www.caff.org/techsupport)

For any questions email [Techhub@caff.org](mailto:Techhub@caff.org) or visit [www.caff.org/techhub](http://www.caff.org/techhub)

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## Free Webinar Series: Data Training for the Small Farm

Community Alliance with Family Farms's Tech Hub is hosting a three-part webinar series on **Data Training for the Small Farm**. This is a three-part series on Wednesdays, 11/16, 11/30 & 12/14 from 3-4:30pm.

- View 11/16/22 webinar recording: <https://youtu.be/FR9rZeT65WI>
- Register for the 11/30 [webinar here](#).
- Register for the 12/14 [webinar here](#).

Data is a powerful tool for business decision making and can make or break a small farm. This workshop series is designed to provide the small farm business with key skills in how to understand and use data for business success. The workshop series is designed to

provide the fundamentals in data concepts, sources, and management, how to use data to evaluate sales channels, and how to use data for scenario planning.

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## USDA Announces Streamlined Guaranteed Loans and Additional Lender Category for Small-Scale Operators



*Options Help More Beginning, Small and Urban Producers Gain Access to Credit*

Producers can apply for a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers. EZ Guarantee Loans use a simplified application process to help beginning, small, underserved, and family farmers and ranchers apply for loans of up to

\$100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

A new category of lenders will join traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial Institutions and Rural Rehabilitation Corporations, will be able to offer their customers up to \$50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to \$100,000 to help with agricultural operation costs.

EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

For more information about the available types of FSA farm loans, contact your local FSA county USDA Service Center or visit [fsa.usda.gov/farmloans](https://fsa.usda.gov/farmloans).

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## SBA Economic Injury Disaster Loans Available to California Small Businesses

Small nonfarm businesses in 26 California counties and neighboring counties in Nevada are now eligible to apply for low-interest federal disaster loans from the U.S. Small Business Administration, announced Director Tanya N. Garfield of SBA's Disaster Field Operations Center-West. These loans offset economic losses because of reduced revenues caused by a freeze in the following primary counties that occurred April 11 – 12, 2022.

Primary California counties: Butte, Glenn, Nevada, Placer, Tehama, Tuolumne, Yolo and Yuba; Neighboring California counties: Alpine, Calaveras, Colusa, El Dorado, Lake, Madera, Mariposa, Mendocino, Mono, Napa, Plumas, Sacramento, Shasta, Sierra,

Solano, Stanislaus, Sutter and Trinity; Neighboring Nevada counties: Douglas, Washoe and Carson City.

“SBA eligibility covers both the economic impacts on businesses dependent on farmers and ranchers that have suffered agricultural production losses caused by the disaster and businesses directly impacted by the disaster,” Garfield said.

Small nonfarm businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private nonprofit organizations of any size may qualify for Economic Injury Disaster Loans of up to \$2 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred.

“Eligibility for these loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 2.94 percent for businesses and 1.875 percent for private nonprofit organizations, a maximum term of 30 years and are available to small businesses and most private nonprofits without the financial ability to offset the adverse impact without hardship,” Garfield said.

By law, SBA makes Economic Injury Disaster Loans available when the U.S. Secretary of Agriculture designates an agricultural disaster. The Secretary declared this disaster on Nov. 4, 2022.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency about the U.S. Department of Agriculture assistance made available by the Secretary’s declaration.

Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloanassistance.sba.gov/>. Applicants may also call SBA’s Customer Service Center at (800) 659-2955 or email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov) for more information on SBA disaster assistance. For people who are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services. Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

The deadline to apply for economic injury is July 5, 2023.

### **About the U.S. Small Business Administration**

The U.S. Small Business Administration helps power the American dream of business ownership. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow, expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit [www.sba.gov](http://www.sba.gov).

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## **California Agricultural Mediation Program (CALAMP) helps farmers and ranchers**

The USDA Farm Service Agency (FSA) in California has partnered with the California Agriculture Mediation Program to provide free mediation services. Mediation can be an effective tool for farmers and ranchers who are experiencing challenges with their farm loans, creditors, neighbors, leases, or USDA agencies,.

Mediation is free to any producer for debt/credit issues, family farm transitions, leases, neighbor disputes, organic certification, adverse USDA decisions, and more. If your issue is not included in our authorized list of covered topics, we'll work with you to find an affordable option.

Discussions and notes made during mediation cannot be shared unless everyone agrees to do so. Keeping information private helps create a safe space for difficult conversations. If you come to an agreement or plan, the parties may then decide to share it outside of the meeting.

Mediators are trained to help people talk to each other in a productive way. The mediator does not take a "side" in the conversation, but instead is there to support the conversation and move it forward to address the issue at hand. All of our mediators have agricultural backgrounds, so they understand the issues that are unique to the industry.

The mediator leads a discussion about reaching an agreement or plan. Should the parties reach an agreement, the mediator will draft a settlement document, which is a binding contract. But the parties, not the mediator, decide the outcome and course of action.

Statistically, 75 percent of mediations result in an agreement. Sometimes even if a final agreement is not reached, everyone gains a better understanding of the issue. Mediation can go hand-in-hand with other processes such as working with an estate planner or applying for a farm loan. Mediation can reopen lines of communication and help the participants continue productive conversations outside the meeting.

For more information, submit a request for mediation at [www.calamp.org](http://www.calamp.org)

Or contact:

Matt Strassberg (Director) at 916-330-4500 x101 or [matts@emcenter.org](mailto:matts@emcenter.org)

Mary Campbell (S. CA Coordinator) at 916-330-4500 x101 or [maryc@emcenter.org](mailto:maryc@emcenter.org)

Jenna Muller (N. CA Coordinator) at 916-330-4500 x101 or [jennam@emcenter.org](mailto:jennam@emcenter.org)

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## Free Farm Manager Apprenticeship 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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# Farm Service Agency California State Office

430 G Street, Ste. 4161  
Davis, CA 95616

Phone: 530-792-5520

## State Executive Director

Blong Xiong  
[Blong.Xiong@usda.gov](mailto:Blong.Xiong@usda.gov)

California Farm Service Agency Website

<https://www.fsa.usda.gov/ca>

## Farm Program Chief

Navdeep Dhillon  
[Navdeep.Dhillon@usda.gov](mailto:Navdeep.Dhillon@usda.gov)

## Administrative Officer

BreAnna Martinez  
[BreAnna.Martinez@usda.gov](mailto:BreAnna.Martinez@usda.gov)

## Farm Loan Program Chief

John Oosterman  
[John.Oosterman@usda.gov](mailto:John.Oosterman@usda.gov)