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Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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### Deadline Approaching for Application to Emergency Relief Program Phase One

The deadline is nearing for producers to apply for assistance through the Emergency Relief Program (ERP) Phase One. Producers who are eligible for assistance through ERP Phase One and haven't already applied have until Friday, Dec. 16, 2022, to apply to their local <u>USDA Service Center</u> to receive benefits through the program.

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. ERP Phase One was rolled out in May 2022 and has since paid more than \$7.1 billion nationally to producers. Under the Phase One program, USDA used existing federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) data as the basis for establishing program benefits. To learn more about this assistance program and others, visit: Emergency Relief information page.

# Protect Your Ag Land with a Conservation Easement, Sign-up by January 31st

Are you an agricultural landowner interested in protecting the integrity of your property? Consider safeguarding your land with a conservation easement through the U.S. Department of Agriculture (USDA), Natural Resources Conservation Service (NRCS). NRCS accepts agricultural conservation easement applications year-round; however, applications for FY2023 funding are being accepted from now until January 31, 2023.



The <u>Agricultural Conservation Easement Program</u> (ACEP)

protects the agricultural viability and related conservation values of eligible land by limiting non-agricultural uses which negatively affect agricultural uses and conservation values. The ACEP protects grazing uses and related conservation values by restoring or conserving eligible grazing land, and it also protects, restores and enhances wetlands on eligible land.

Under the Agricultural Land Easements (ALE) component of the program, permanent agricultural land easements are funded to protect the future of the nation's food supply, and to also support environmental quality, wildlife habitat, and historic preservation and protection of open spaces. Interested landowner applicants must apply through an eligible entity – such as a land trust, municipality, or State agencies. NRCS will prioritize applications that protect agricultural uses and related conservation values of the land and those that maximize the protection of contiguous acres devoted to agricultural use.

Under the Wetland Reserve Easement (WRE) component, landowners may apply directly to NRCS for a conservation easement to restore wetlands impacted by agriculture. Wetland Reserve Easements provide habitat for fish and wildlife, including threatened and endangered species, improve water quality by filtering sediments and chemicals, reduce flooding, recharge groundwater, protect biological diversity, provide resilience to climate change, and provide opportunities for limited recreational activities.

Not sure how to begin? Visit our <u>Florida NRCS</u> where you will find information on ACEP benefits, how to apply, all the forms you will need, and more. Contact your <u>local NRCS</u> office to apply for ACEP by January 31, 2023.

To speak to someone about filling out eligibility forms with the Farm Service Agency (FSA) in Florida, or to obtain an NRCS ACEP application, contact your local <u>USDA Service Center</u>.

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



Agricultural producers can now change election and enroll in the <u>Agriculture Risk Coverage (ARC) and Price Loss</u>

<u>Coverage</u> 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.

### 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:

- <u>Gardner-farmdoc Payment Calculator</u>, 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 <u>2021</u> 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 <u>ARC and PLC webpage</u> or contact your local USDA Service Center.

## **USDA Provides Payments of nearly \$800 Million in Assistance to Help Keep Farmers Farming**

USDA announced that distressed borrowers with qualifying USDA farm loans have already received nearly \$800 million in assistance, as part of the \$3.1 billion in assistance for distressed farm loan borrowers provided through Section 22006 of the Inflation Reduction Act (IRA). The IRA directed USDA to expedite assistance to distressed borrowers of direct or guaranteed loans administered by USDA's Farm Service Agency (FSA) whose operations face financial risk.

This recent announcement in October 2022 kicks off a process to provide assistance to distressed farm loan borrowers using several complementary approaches, with the goal of keeping them farming, removing obstacles that currently prevent many of these borrowers from returning to farming, and improving the way that USDA approaches borrowing and servicing. Through this assistance, USDA is focused on generating long-term stability and success for distressed borrowers.

Work has already started to bring some relief to distressed farmers. As of Oct. 2022, over 13,000 borrowers have already benefited from the resources provided under the Inflation Reduction Act as follows:

- Approximately 11,000 delinquent direct and guaranteed borrowers had their accounts brought current. USDA also paid the next scheduled annual installment for these direct loan borrowers giving them peace of mind in the near term.
- Approximately 2,100 borrowers who had their farms foreclosed on and still had remaining debt have had this debt resolved in order to cease debt collections and garnishment relieving that burden that has made getting a fresh start more difficult.

In addition to the automatic assistance already provided, USDA has also outlined steps to administer up to an additional \$500 million in payments to benefit the following distressed borrowers:

- USDA will administer \$66 million in separate automatic payments, using COVID-19 pandemic relief funds, to support up to 7,000 direct loan borrowers who used FSA's disaster-set-aside option during the pandemic to move their scheduled payments to the end of their loans.
- USDA is also initiating two case-by-case processes to provide additional
  assistance to farm loan borrowers. Under the first new process, FSA will
  review and assist with delinquencies from 1,600 complex cases, including
  cases in which borrowers are facing bankruptcy or foreclosure. The second
  new process will add a new option using existing direct loan servicing criteria
  to intervene more quickly and help an estimated 14,000 financially distressed
  borrowers who request assistance to avoid even becoming delinquent.

More details on each of the categories of assistance, including a downloadable fact sheet, are available on the <u>Inflation Reduction Act webpage on farmers.gov</u>.

Similar to other USDA assistance, all of these payments will be reported as income and borrowers are encouraged to consult their tax advisors. USDA also has resources and partnerships with cooperators who can provide additional assistance and help borrowers navigate the process.

The announcement today is only the first step in USDA's efforts to provide assistance to distressed farm loan borrowers and respond to farmers and to improve the loan servicing efforts at USDA by adding more tools and relaxing unnecessary restrictions. Additional announcements and investments in assistance will be made as USDA institutes these additional changes and improvements.

This effort will ultimately also include adding more tools and relaxing unnecessary restrictions through assistance made possible by Congress through the IRA. Further assistance and changes to the approach will be made in subsequent phases.

### **Background**

USDA provides access to credit to approximately 115,000 producers who cannot obtain sufficient commercial credit through direct and guaranteed farm loans, which do <u>not</u> include farm storage facility loans or marketing assistance loans. With the funds and direction Congress provided in Section 22006 of IRA, USDA is taking action to immediately provide relief to qualifying distressed borrowers whose operations are at financial risk while working on making transformational changes to how USDA goes about loan servicing in the long run so that borrowers are provided the flexibility and opportunities needed to address the inherent risks and unpredictability associated with agricultural operations and remain in good financial standing.

In January 2021, <u>USDA suspended foreclosures</u> and other adverse actions on direct farm loans due to the pandemic and encouraged guaranteed lenders to follow suit. Last week, USDA reiterated this request to guaranteed lenders to provide time for the full set of IRA distressed borrower assistance to be made available before lenders take irreparable actions.

Producers can explore available loan options using the <u>Farm Loan Discovery Tool on farmers.gov</u> (<u>also available in Spanish</u>) or by contacting their <u>local USDA Service Center</u>. Producers can also call the FSA call center at 877-508-8364 between 8 a.m. and 7 p.m. Eastern. USDA has tax-related resources available at farmers.gov/taxes.

## 2023 Dairy Margin Coverage Deadline Extended – Jan. 31, 2023, Last Day to Enroll

Producers Encouraged to Enroll As Soon As Possible

The U.S. Department of Agriculture (USDA) has extended the deadline for producers to enroll in <u>Dairy Margin Coverage</u> (<u>DMC</u>) and <u>Supplemental Dairy Margin Coverage (SDMC</u>) for program year 2023 to Jan. 31, 2023.

e all-milk price and the average

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.

Early projections indicate DMC payments are likely to trigger for the first eight months in 2023. Markets fluctuate, sometimes at a moment's notice and sometimes with no warning at all, so now's the time to ensure your operation is covered. Please don't let this second chance slide.

Nearly 18,000 operations that enrolled in DMC for 2022 have received margin payments for August and September for a total of \$76.3 million. 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, and military

veteran farmers and 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 <u>dairy decision tool</u>.

### **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. The enrollment period for 2023 Supplemental DMC is also extended to Jan. 31, 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**

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%.

For more information on DMC, visit the <u>DMC webpage</u> or contact your local <u>USDA Service</u> Center.

USDA touches the lives of all Americans each day in so many positive ways. Under 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 safe, 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 <a href="mailto:usda.gov">usda.gov</a>.

# USDA Requests Public Input on Implementation of Inflation Reduction Act Funding



USDA's Natural Resources Conservation Service (NRCS) will use the investments provided through IRA-funded conservation programs to support farmers and ranchers in adopting and expanding climate-smart activities and systems. NRCS asks for comments on how to target program benefits, quantify impact, and improve program delivery and outreach, especially for

underserved producers. Comments are due Dec. 21, 2022. NRCS will identify immediate

changes that can be made in fiscal year 2023 and will continue to identify and adopt additional changes in future years. The Inflation Reduction Act provided unprecedented funding levels for several of the existing programs that NRCS implements. The increased funding levels begin in fiscal year 2023 and rapidly build over four years, totaling these additional amounts:

- \$8.45 billion Environmental Quality Incentives Program
- \$3.25 billion Conservation Stewardship Program
- \$4.95 billion Regional Conservation Partnership Program
- \$1.4 billion Agricultural Conservation Easement Program
- \$1 billion Conservation Technical Assistance

Public comments should be submitted through this <u>Federal Register notice</u> by Dec. 21, 2022. If you have questions, contact NRCS.IRA.Input@usda.gov.

### Biden-Harris Administration Announces \$3.1 Billion Investment for Climate-Smart Agriculture and Support for Underserved Farmers and Ranchers



Agriculture Secretary Tom Vilsack announced today that the Biden-Harris Administration, through the U.S. Department of Agriculture (USDA) is investing an additional \$325 million for 71 projects under the second funding pool of the <a href="Partnerships for Climate-Smart Commodities">Partnerships for Climate-Smart Commodities</a> effort, bringing the total investment

from both funding pools to over \$3.1 billion for 141 tentatively selected projects. Partnerships for Climate-Smart Commodities is working to expand markets for American producers, especially small and underserved producers, who have the most to gain from growing market demand for climate-smart commodities. Learn More: USDA Press Release

## FAMU Conservation Reserve Program (CRP) Workshop

Friday, February 24, 2023

Florida A&M University/Research and Extension Center 4259 Bainbridge Highway, Quincy, FL 32352

Florida A&M University, in collaboration with the University of Georgia, is working together in conjunction with USDA Service Center Agencies such as the Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) to increase participation of Underserved Landowners in the Conservation Reserve Program (CRP).

To increase the participation of underserved landowners in CRP. The project aims to improve understanding, identify challenges faced by underserved landowners, and formulate solutions for overcoming barriers to increase their participation in CRP. To this end, a series of workshops are being developed targeting Jefferson, Wakulla, Leon, Gadsden, Liberty, Calhoun, and Jackson Counties in the Florida Panhandle. Our first workshop will be on Friday, February 24, 2023, at the FAMU Research and Extension Center, 4259 Bainbridge Highway, Quincy, FL, from 8:30 AM to 4 PM. Lunch will be served.

The workshop activities include:

- An introduction to CRP
- Perspectives, processes, and challenges of getting into CRP
- Factors affecting CRP enrollment
- CRP practices & ecosystem benefits
- Hairs property and resolution
- Possible solutions for increasing underserved landowners' participation in CRP

Underserved landowners are beginning farmers and ranchers, socially disadvantaged, limited resource, females, and military veterans.

For more information, please contact: Alex Bolques, <u>alejandro.bolques@famu.edu</u>, 850-421-6521

# 2023 FAMU AgDiscovery Summer Youth Program Opportunity

June 11-24, 2023

FAMU AgDiscovery is an opportunity for students to explore agricultural sciences and learn about careers in animal-related disciplines, including veterinary medicine.

Students will gain experiential learning through workshops, laboratory and field exercises, field trips, and various cultural and teambuilding activities.



The program helps students to understand better or refine their career paths and apply for early admission to FAMU.

**Application Deadline: March 31, 2023** 

To apply or for more information, visit: www.aphis.usda.gov/agdiscovery.

#### Contact:

Carmen Lyttle-N'guessan, Ph.D.: 850-412-5363 Glen Wright, DVM: 850-599-8433 Cooperative Extension Program: 850-599-3546 https://cafs.famu.edu/outreach/AgDiscovery.php

### **Dates to Remember**

Dec 16 - Emergency Relief Program (ERP) Phase One

Dec 31 - A Second Disaster Set-Aside for Farm Loans

Jan 2 - Honeybee acreage reporting deadline for crop year 2023 and late filed acreage reporting deadline for crop year 2022

Jan 20 - deadline to file an ELAP notice of loss for losses from Hurricane Ian

Jan 31 - Dairy Margin Coverage Program (DMC)

March 2 - deadline to file an ELAP application for payment for losses from Hurricane Ian.

### **Selected Interest Rates for December 2022**

Farm Operating - Direct	5.125%
Farm Operating - Microloan	5.125%
Farm Ownership - Direct	5.000%
Farm Ownership - Microloan	5.000%
Farm Ownership - Direct, Joint Financing	3.000%
Farm Ownership - Down Payment	1.500%
Emergency Loan - Amount of Actual Loss	3.750%