

Kentucky FSA Newsletter - November 2021

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USDA Builds Pandemic Support for Certified Organic and Transitioning Operations

The U.S. Department of Agriculture (USDA) will provide pandemic assistance to cover certification and education expenses to agricultural producers who are certified organic or transitioning to organic. USDA will make \$20 million available through the new Organic and Transitional Education and Certification Program (OTECP) as part of USDA's broader Pandemic Assistance for Producers



initiative, which provides new, broader and more equitable opportunities for farmers, ranchers and producers.

During the COVID-19 pandemic, certified organic and transitional operations faced challenges due to loss of markets, and increased costs and labor shortages, in addition to costs related to obtaining or renewing their organic certification, which producers and handlers of conventionally grown commodities do not incur. Transitional operations also faced the financial challenge of implementing practices required to obtain organic

certification without being able to obtain the premium prices normally received for certified organic commodities.

Eligible Expenses

OTECP funding is provided through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Certified operations and transitional operations may apply for OTECP for eligible expenses paid during the 2020, 2021 and 2022 fiscal years. 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.

Applying for Assistance

Signup for 2020 and 2021 OTECP will be Nov. 8, 2021, through Jan. 7, 2022. Producers apply through their local Farm Service Agency (FSA) office and can also obtain one-on-one support with applications by calling 877-508-8364. Visit farmers.gov/otecp to learn more.

Additional USDA Programs and Services

To learn more about USDA's assistance for organic producers, visit usda.gov/organic. Visit www.farmers.gov/pandemic-assistance for additional information on USDA's Pandemic Assistance for Producers initiative.

2021 Farm Service Agency County Committee Elections Underway

The week of Nov. 1, 2021, The U.S. Department of Agriculture (USDA) began mailing ballots for the Farm Service Agency (FSA) county committee elections to all eligible agricultural producers and private landowners across the country. Elections are occurring in certain Local Administrative Areas (LAA) for these committee members who make important decisions about how federal farm programs are administered locally. To be

counted, producers and landowners must return ballots to their local FSA county office or be postmarked by Dec. 6, 2021.

Producers must participate or cooperate in an FSA program to be eligible to vote in the county committee election. A cooperating producer is someone who has provided information about their farming or ranching operation but may not have applied or received FSA program benefits. Also, for County Committee elections, producers who are not of legal voting age, but supervise and conduct the farming operations of an entire farm, are eligible to vote.

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. To find your local USDA Service Center, visit farmers.gov/service-locator. Visit fsa.usda.gov/elections for more information.

About Committees

Each committee has from three to 11 elected members who serve three-year terms of office, and at least one seat representing an LAA is up for election each year. Newly elected committee members will take office Jan. 1, 2022.

USDA Reminds Kentucky Producers to File Crop Acreage Reports



Agricultural producers in Kentucky who have not yet completed their <u>crop acreage reports</u> after planting should make an appointment with their Farm Service Agency (FSA) office before the applicable deadline.

An acreage report documents a crop grown on a farm or ranch and its intended uses. Filing an accurate and timely acreage report for all crops and land uses, including failed

acreage and prevented planted acreage, can prevent the loss of benefits.

How to File a Report

The following 2022 acreage reporting dates are approaching in Kentucky:

- December 15, 2021: Fall seeded small grains. Example: Barley, Oats, Rye, Wheat. Preceding Year (Report 2021 for 2022).
- January 2, 2022: Honey (same crop year).
- January 15, 2022: Peaches, Canola.

Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, some <u>USDA Service Centers</u> are open to limited visitors. Contact your Service Center to set up an in-person or phone appointment.

To file a crop acreage report, you will need to provide:

- Crop and crop type or variety.
- Intended use of the crop.
- Number of acres of the crop.
- Map with approximate boundaries for the crop.
- Planting date(s).
- Planting pattern, when applicable.
- Producer shares.
- Irrigation practice(s).
- Acreage prevented from planting, when applicable.
- Other information as required.

Acreage Reporting Details

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the acreage reporting date, then
 the acreage must be reported no later than 30 calendar days after purchase or
 acquiring the lease. Appropriate documentation must be provided to the county
 office.

Producers should also report crop acreage they intended to plant, but due to natural disaster, were unable to plant. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and USDA's Risk Management Agency.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP-covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

More Information

For questions, please contact your local FSA office. To locate your local FSA office visit farmers.gov/service-center-locator.

Reminders for FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm loan borrowers who have pledged real estate as security for their Farm Service Agency (FSA) direct or guaranteed loans are responsible for maintaining loan collateral. Borrowers must obtain prior consent or approval from FSA or the guaranteed lender for any transaction that affects real estate security. These transactions include, but are not limited to:

- Leases of any kind
- · Easements of any kind
- Subordinations
- Partial releases
- Sales

Failure to meet or follow the requirements in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read Your FSA Farm Loan Compass.

Kentucky Women in Agriculture Day

Kentucky Women in Agriculture Day was celebrated on Oct. 19. The number of female farmers in Kentucky keeps growing. In 2017, 42,946 women farmed in Kentucky, up 36.7 percent from the number identified in the previous 2012 U.S. Department of Agriculture (USDA) census. Of those, 33,550 were involved in making day-to-day decisions on the farm, 26,215 were the principal producers on their farms, and 12,648 listed farming as their primary occupation, the census found.

The Census of Agriculture is a complete count of U.S. farms and ranches and the people who operate them. Even small plots of land - whether rural or urban - growing fruit, vegetables or some food animals. The Census of Agriculture, taken only once every five years, looks at land use and ownership, operator characteristics, production practices, income and expenditures. USDA will start collecting information for the next census in 2022.

The Kentucky Women in Agriculture (KWIA) is comprised of women who own and operate farms and agribusinesses, as well as agriculture entrepreneurs, state and federal

personnel, ag educators and students, and consumers. To learn more, visit kywomeninag.com or the Kentucky Department of Agriculture.

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 on FSA farm loan programs, contact your <u>local USDA Service</u> Center or visit fsa.usda.gov.

Linkage Requirements for Payments Received Under WHIP+ and/or QLA



If you received a payment under the Wildfires and Hurricanes Indemnity Program+ (WHIP+) or the Quality Loss Adjustment Program (QLA) for crop production and/or quality losses occurring in 2018, 2019, or 2020 crop years, you are required to meet linkage requirements by obtaining federal crop insurance or Non-Insured Crop Disaster Assistance Program (NAP) coverage at the 60/100 level, or higher, for both the 2022 and 2023 crop years.

When applying for WHIP+ or QLA, form FSA-895 (Crop Insurance and/or NAP Coverage Agreement) was submitted acknowledging the requirement to obtain federal crop insurance, if available, or NAP coverage if federal crop insurance is not available. The coverage requirement is applicable to the physical location county of the crop that received WHIP+ and/or QLA benefits.

Producers should not delay contacting their federal crop insurance agent or local county FSA Office to inquire about coverage options, as **failure to obtain the applicable coverage by the sales/application closing date will result in the required refund of**

WHIP+ benefits received on the applicable crop, plus interest. You can determine if crops are eligible for federal crop insurance or NAP by <u>visiting the RMA website</u>.

For more information, contact your <u>local USDA Service Center</u> or visit <u>fsa.usda.gov</u>.

November 2021 Selected Interest Rates

Farm Loan Programs	
90-Day Treasury Bill	0.125%
Farm Operating Loans - Direct	1.750%
Farm Ownership Loans - Direct	2.875%
Limited Resource Loans	5.000%
Farm Ownership Loans - Direct FO Down Payment	1.500%
Emergency Loans	2.750%

Farm Programs Farm Storage Facility Loans		
3 Year	0.625%	
5 Year	1.000%	
7 Year	1.375%	
10 Year	1.500%	
12 Year	1.625%	
15 Year	1.750%	
Commodity Loans	1.125%	
CCC Borrowing Rate	0.125%	

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