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USDA, SBA, and FDIC Partner to Foster Economic Growth for Small Businesses, Farmers, and Ranchers in Southern States



Federal Partners Offer Free "Path to Prosperity" Regional Workshops to Help Participants Access Capital and Contract Opportunities

The U.S. Department of Agriculture (USDA), in partnership with the Small Business Administration (SBA) and the Federal Depositary Insurance Corporation (FDIC), is hosting a series of regional economic development workshops on the "Path to Prosperity" in Mississippi, Kentucky, and Georgia to provide small businesses, including farmers and ranchers, with the resources and tools they need to grow.

"These independent businesses, in rural communities, are the cornerstone of American life but many of them lack the same level of access to resources and economic development as their counterparts in larger metro areas," said Malcom A. Shorter, USDA's Acting Assistant Secretary for Administration. "USDA is committed to ensuring that small businesses of all types have the knowledge and opportunity to prosper, create jobs and stimulate their local economies."

The partnership and the “Path to Prosperity” workshops align with the Biden-Harris Administration's Executive Order on “Advancing Racial Equity and Support for Underserved Communities Through the Federal Government” and show the Department's commitment to increase access to USDA's products and services and improve service delivery in rural and underserved communities.

Shorter said “Given USDA's procurement portfolio of more than \$9 billion annually, we can help small businesses access capital through government contracts. Last year, 25.8% of the Department's contracts went to small, disadvantaged businesses, surpassing our goal of 21.5%, and we plan to exceed that goal again this year.”

Through the “Path to Prosperity” regional economic development series; Federal, state, and local government agencies, along with private sector and non-profit partners, will provide small businesses and aspiring entrepreneurs with resources and an opportunity to engage with experts and each other to learn best practices. The **no-cost** series features experts in how to start a business, how to access capital, and how to do business with the government. They will also include facilitated lender-small business matchmaking sessions. In order to meet participants where they are, the partnership will be conducting a pre-event assessment. Additional resources and experts will be provided based on any further needs.

Presenters will discuss:

- Incentivizing unbanked and under-banked small business owners and individuals to establish a sustainable relationship with an insured financial institution,
- Expanding technical assistance and financial education for small business owners and individuals to improve their bankability,
- Increasing the number of SBA certified lenders to provide access to capital for small, minority, and underserved businesses, and
- Developing contracting relationships with Federal government and private industry partners.

Workshop participants include small businesses, financial institutions, community development financial institutions (CDFIs), trade groups, local, state, and Federal agencies, community leaders, nonprofits, and community-based staff representing organizations.

This spring, three “Path to Prosperity” workshops will be held in Mississippi, Kentucky, and Georgia with the goal of also reaching individuals and businesses in the surrounding region, as follows:

1. Jackson, Mississippi (Louisiana, Alabama, Arkansas, Oklahoma)
2. **Lexington, Kentucky (Ohio, Indiana, Tennessee, West Virginia)**
3. Albany, Georgia (North Carolina, South Carolina, Florida, Tennessee)

“These regions were chosen because local businesses accessed USDA's procurement opportunities at a lower rate than others,” said George A. Sears, director of USDA's Office of Small and Disadvantaged Business Utilization.

The first “Path to Prosperity” event is on Tuesday, April 11, 2023, from 8:00 am to 5:00 pm ET at the Mississippi Agriculture and Forestry Museum located at 1150 Lakeland Dr, Jackson, MS 39216. All participants must register to attend either “In Person” or “Virtually” at [Path to Prosperity - Mississippi](#).

The second event is scheduled for **Tuesday, April 18, 2023, from 8:00 am to 5:00 pm ET at the University of Kentucky, William T. Young Library, 401 Hilltop Avenue, Lexington, KY 40526.** All participants must register to attend either “In Person” or “Virtually” at [Path to Prosperity - Kentucky](#).

The third and final southern state event will be held Tuesday, May 2, 2023, from 8:00 am to 5:00 pm ET at Albany State University – West Campus, 2400 Gillionville Road, Albany, Georgia 31707, in Student Center Ballroom C266. All participants must register to attend either “In Person” or “Virtually” at [Path to Prosperity - Georgia](#).

Four "Path to Prosperity" events have been held since last fiscal year, with nearly 450 participants attending the Caribbean workshops in Caguas, Puerto Rico and St. Croix, Virgin Islands in March 2023, according to Sears. Other states will follow later in the year.

USDA Supports Military Veteran's Transition to Farming

Are you a military veteran interested in farming? USDA offers resources to help you:

- **Fund Your Operation:** USDA's Farm Service Agency offers a variety of [funding opportunities](#) to help agricultural producers finance their businesses. Certain funds are targeted for veterans and beginning farmers and ranchers.
- **Conserve Natural Resources:** USDA's Natural Resources Conservation Service offers [conservation programs and expert one-on-one technical assistance](#) to strengthen agricultural operations now and into the future. Veterans may be eligible for a cost share of up to 90 percent and advance payments of up to 50 percent to cover certain conservation practices.
- **Manage Risks:** USDA is here to help you prepare for and recover from the unexpected. Veterans who are beginning farmers may be eligible for reduced premiums, application fee waivers, increased insurance coverage, and other incentives for multiple [USDA programs that support risk management](#).



USDA wants to ensure that veterans transitioning to agriculture have the resources needed to succeed. To conduct business, please contact [your local USDA Service Center](#).

If you're a new farmer, you can also reach out to your Beginning Farmer Coordinator for the Farm Service Agency in Kentucky, [Angella Watson](#), 859-224-7685.

USDA Announces Additional Assistance for Distressed Farmers Facing Financial Risk

The U.S. Department of Agriculture (USDA) today announced that beginning in April it will provide approximately \$123 million in additional, automatic financial assistance for qualifying farm loan program borrowers who are facing financial risk, as part of the \$3.1 billion to help distressed farm loan borrowers that was provided through Section 22006 of the Inflation

Reduction Act (IRA). The announcement builds on financial assistance offered to borrowers through the same program in October 2022.

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. For example, in the October payments, farmers that were 60 days delinquent due to challenges like natural disasters, the pandemic or other unexpected situations were brought current and had their next installment paid to give them breathing room.

In October 2022, [USDA provided approximately \\$800 million](#) in initial IRA assistance to more than 11,000 **delinquent direct and guaranteed borrowers** and approximately 2,100 borrowers who had their farms liquidated and still had remaining debt. USDA shared that it would conduct case-by-case reviews of about 1,600 complex cases for potential initial relief payments, including cases of **borrowers in foreclosure or bankruptcy**. These case-by-case reviews are underway.

At the same time in October 2022, USDA announced that it anticipated payments using separate pandemic relief funding totaling roughly \$66 million on over 7,000 direct loans to borrowers who used the USDA Farm Service Agency's **disaster-set-aside** option during the COVID-19 pandemic. The majority of these payments have been processed and USDA anticipates it will complete all such payments in April 2023.

New Assistance for Distressed Borrowers

FSA intends to provide the new round of relief starting in April to additional distressed borrowers. This will include approximately \$123 million in automatic financial assistance for qualifying Farm Loan Program (FLP) direct loan borrowers who meet certain criteria. Similar to the automatic payments announced in October 2022, qualifying borrowers will receive an individual letter detailing the assistance as payments are made. Distressed borrowers' eligibility for these new categories of automatic payments will be determined based on their circumstances as of today. More information about the new categories that make up the \$123 million in assistance announced today and the specific amount of assistance a distressed borrower receives can be found described in this fact sheet, [IRA Section 22006: Additional Automatic Payments, Improved Procedures, and Policy Recommendations](#).

To continue to make sure producers are aware of relief potentially available to them, all producers with open FLP loans will receive a letter detailing a new opportunity to receive assistance if they took certain extraordinary measures to avoid delinquency on their FLP loans, such as taking on more debt, selling property or cashing out retirement accounts. The letter will provide details on eligibility, the specific types of actions that may qualify for assistance, and the process for applying for and providing the documentation to seek that assistance.

These steps are part of a process USDA announced along with the October payments that is focused on assisting borrowers unable to make their next scheduled installment. Earlier this year, all borrowers should have received a letter detailing the process for seeking this type of assistance even before they become delinquent. Borrowers who are within two months of their next installment may seek a cashflow analysis from FSA using a recent balance sheet and operating plan to determine their eligibility.

Tax Resources

USDA will continue to work with the Department of Treasury to help borrowers understand the potential tax implications from the receipt of an IRA payment, including that options may be available to potentially avoid or alleviate any tax burden incurred as a result of receiving this financial assistance.

In early April, USDA will send a specific set of revised tax documents, educational materials and resources to borrowers that received assistance in 2022, including a link to a webinar hosted by a group of farm tax experts to provide education on the options available. USDA cannot provide tax advice and encourages borrowers to consult their own tax professional, but FSA is providing educational materials for borrowers to be aware of the options. USDA has tax-related resources available at farmers.gov/taxes.

Improved Procedures and Policy Recommendations

FSA is finalizing changes to its policy handbooks to remove unnecessary hurdles, improve loan making and loan servicing and provide more flexibility on how loans are structured to maximize the opportunities for borrowers. Additional details on those changes can be found in the linked fact sheet and are the start of a broader set of process enhancements. The fact sheet also provides information on the eight, no-cost legislative proposals included in the Fiscal Year 2024 President's Budget that are designed to improve the borrower experience.

Before You Break Out New Ground, Ensure Your Farm Meets Conservation Compliance



The term “sodbusting” is used to identify the conversion of land from native vegetation to commodity crop production after December 23, 1985. As part of the conservation provisions of the Food Security Act of 1985, if you’re proposing to produce agricultural commodities (crops that require annual tillage including one pass planting operations and sugar cane) on land that has been determined highly erodible and that has no crop history prior to December 23, 1985, that land must be farmed in

accordance with a conservation plan or system that ensures no substantial increase in soil erosion.

Eligibility for many USDA programs requires compliance with a conservation plan or system on highly erodible land (HEL) used for the production of agricultural commodities. This includes Farm Service Agency (FSA) loan, disaster assistance, safety net, price support, and conservation programs; Natural Resources Conservation Service (NRCS) conservation programs; and Risk Management Agency (RMA) Federal crop insurance.

Before you clear or prepare areas not presently under production for crops that require annual tillage, you are required to file Form AD-1026 “Highly Erodible Land Conservation and Wetland Conservation Certification,” with FSA indicating the area to be brought into production. The notification will be referred to NRCS to determine if the field is considered highly erodible land. If the field is considered HEL, you are required to implement a conservation plan or system that limits the erosion to the tolerable soil loss (T) for the predominant HEL soil on those fields.

In addition, prior to removing trees or conducting any other land manipulations that may affect wetlands, remember to update form AD-1026, to ensure you remain in compliance with the wetland conservation provisions.

Prior to purchasing or renting new cropland acres, it is recommended that you check with your local USDA Service Center to ensure your activities will be in compliance with the highly erodible land and wetland conservation provisions.

For additional information on highly erodible land conservation and wetland conservation compliance, contact [your local USDA Service Center](#).

Ask the Expert: Customer Farm Records Mapping Q&A with Gwen Uecker

In this Ask the Expert, Gwen Uecker answers a few questions about USDA's farmers.gov customer portal. Gwen serves as the Team Lead for the Program Delivery Division (PDD), Common Processes Branch for the Deputy Administrator of Farm Program within Farm Service Agency (FSA). She helps lead PDD's effort to provide personalized customer information via farmers.gov.

A farmers.gov account provides self-service opportunities to FSA and Natural Resources Conservation Service (NRCS) customers via a secure authenticated access process.

What is the value of Customer Farm Records Mapping and why should producers use farmers.gov?

Customer Farm Records Mapping (cFRM) provides you with self-help options and access to FSA data from home 24/7. For example, you do not have to wait for FSA to mail out maps for acreage reporting or make a special trip to the office to pick up your maps. You can print farm tract maps directly from farmers.gov.

New features include the ability to import precision agriculture planting boundaries and create labels containing crop information that can be printed on-farm tract maps. The maps can then be provided to FSA at the local USDA Service Center for completing the annual crop acreage report. You can use the draw tools to determine acres in a drawn area. The drawn area can be printed on a map and provided to the Service Center, a third party such as a chemical applicator, or exported as a feature file for use in other geospatial applications.

In addition, you can "Switch Profile" to view cFRM data for individuals or entities you are authorized to act on behalf of. This means you can view and print maps for your entity's farms. Producers can also view and print farm records details, including base and yield information (FSA-156EZ).

The FSA Farm Records Mapping page is accessed by clicking the blue "View Farm Records" button from the farmers.gov LAND tab.

To read the full blog visit [Ask the Expert: Customer Farm Records Mapping Q&A with Gwen Uecker | Farmers.gov](#).

Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation



Farmers can use the *Farm Loan Discovery Tool* on farmers.gov to find information on USDA farm loans that may best fit their operations.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA

loans can help.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will receive information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the *Farm Loan Discovery Tool* by visiting farmers.gov/fund and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The *Farm Loan Discovery Tool* is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit farmers.gov/recover/disaster-assistance-tool#step-1 to find disaster assistance programs that can help their operation recover from natural disasters.

For more information, contact [your local USDA Service Center](#).

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- See our [2023 Kentucky Guaranteed Lender Newsletter](#)

April 2023 Selected Interest Rates

Farm Loan Programs	
90-Day Treasury Bill	4.750%
Farm Operating Loans - Direct	4.750%
Farm Ownership Loans - Direct	4.750%
Limited Resource Loans	5.000%
Farm Ownership Loans - Direct FO Down Payment	1.500%
Emergency Loans	3.750%

Farm Programs	
Farm Storage Facility Loans	
3 Year	4.374%
5 Year	4.000%
7 Year	4.000%
10 Year	3.875%
12 Year	3.875%
Commodity Loans	5.875%
CCC Borrowing Rate	4.875%

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