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Just Around the Corner

Commodities

Mar. 15 is the deadline for <u>Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)</u> and <u>Federal Crop Insurance</u> signup.

Dairy

Mar. 25 is the deadline to sign up for the <u>Dairy Margin Coverage Program (DMC)</u> and Supplemental DMC.



Hogs

Apr. 15 is the new deadline to apply for the **Spot Market Hog Pandemic Program (SMHPP)**.

Honey & Maple Sap

Mar. 31 is the deadline to apply for a <u>Marketing Assistance Loan or Loan Deficiency Payment</u> for 2021 harvested honey.

Vegetables

Mar. 15 is the <u>Noninsured Crop Disaster Assistance Program (NAP)</u> application deadline for most 2022 vegetable crops.

New Federal Advisory Committee for Urban Agriculture to Meet 23-24 March

USDA will host the first public meeting of the inaugural Federal Advisory Committee for Urban Agriculture and Innovative Production on March 23-24, 2022. **The public – including urban producers – is encouraged to attend.**

The new federal advisory committee is part of USDA's efforts to support urban agriculture, creating a network for feedback. <u>Members were announced</u> last month, and include agricultural producers, and representatives from the areas of higher education or extension programs, non-profits, business and economic development, supply chains and financing.



About the Meeting

USDA's Office of Urban Agriculture and Innovative Production is coordinating the meeting, which runs from 11 a.m. to 3:30 p.m. ET on March 23 and 24, 2022. To attend, <u>register by March 18</u>, 2022.

At the meeting, committee members will discuss administrative matters and consult on the National Institute of Food and Agriculture's Notice of Funding Opportunity for the Urban, Indoor and Emerging Agriculture grants.

Members of the public who wish to submit comments or questions related to urban agriculture may submit them via www.regulations.gov.

Comments must be submitted by March 18, 2022.

For special accommodations, please contact Leslie Glover at (602) 395-9536 or UrbanAgricultureFederalAdvisoryCommittee@usda.gov.

Additional details are available in the <u>March 8, 2022, Federal Register</u> notice and online at <u>farmers.gov/urban</u> or on the <u>committee's webpage</u>.

USDA and **Urban** Agriculture

The Federal Advisory Committee for Urban Agriculture and Innovative Production is part of a broad USDA investment in urban agriculture. Other efforts include:

- Grants that target areas of food access, education, business and start-up costs for new farmers, and policy development related to zoning and other urban production needs.
- Cooperative agreements that develop and test strategies for planning and implementing municipal compost plans and food waste reduction plans.
- Investing \$260,000 for risk management training and crop insurance education for historically
 underserved and urban producers through partnerships between USDA's <u>Risk Management</u>
 <u>Agency</u> (RMA) and the University of Maryland, University of Connecticut, and Michigan State
 University Center for Regional Food Systems.
- Providing technical and financial assistance through conservation programs offered by USDA's <u>Natural Resources Conservation Service</u> (NRCS).
- Organizing 11 <u>Farm Service Agency</u> (FSA) urban and suburban county committees. FSA will organize additional committees.

The Office of Urban Agriculture and Innovative Production was established through the 2018 Farm Bill. It is led by NRCS and works in partnership with numerous USDA agencies that support urban agriculture. Its mission is to encourage and promote urban, indoor, and other emerging agricultural practices, including community composting and food waste reduction.

More information is available at <u>farmers.gov/urban</u> and the new Federal Advisory Committee for Urban Agriculture and Innovative Production website at <u>www.usda.gov/partnerships/advisory-committee-urban-aginnovative-production</u>.

Additional resources that may be of interest to urban agriculture entities include grants from USDA's <u>Agricultural Marketing Service</u> and <u>National Institute of Food and Agriculture</u> as well as <u>FSA loans</u>.

Bilingual Spanish-English USDA Virtual Information Sessions on March 16

USDA and Michigan Food and Farming Systems (MIFFS) is offering two bilingual presentations on March 16, 2022 at the free virtual 18th Annual Michigan Family Farms Conference.

- Register for the conference <u>here</u>
- Inscripción en español aquí

Put USDA to Work for Your Farm: Income Safety Nets

In this Spanish-English bilingual session, experts from the USDA Risk Management Agency (RMA) and Farm Service Agency (FSA) introduce programs designed to support economic stability on small, medium, and diversified farms. Programs discussed will include the Whole Farm Revenue Protection Program, Micro Farm Program, and Noninsured Crop Disaster Assistance Program. The presentation will be followed by a bilingual discussion session, where you can share your experiences and ask questions.



Put USDA to Work for Your Farm: Cost Share & Rental Payments

In this Spanish-English bilingual session, experts FSA and Natural Resources Conservation Service (NRCS) introduce programs that provide financial resources and technical assistance for farmers to make improvements to their farm, recover from natural disasters, and protect natural resources. Programs discussed will include the Environmental Quality Incentives Program, Conservation Stewardship Program, Tree Assistance Program, Conservation Reserve Program, Emergency Assistance Programs, and Farm Loan Programs. The presentation will be followed by a bilingual discussion session, where you can share your experiences and ask questions.

More Information

The Michigan Family Farms Conference is an opportunity for historically underserved, underrepresented, beginning and aspiring farmers to share, network, learn from and celebrate rural and urban food producers with diverse production methods, cultures, and backgrounds.

If you need an accommodation to participate in this event, please contact Lauren Marquardt, MIFFS Co-Director, at 517-709-8271 or by e-mail at info@miffs.org.

Now Accepting CRP Continuous Enrollment Offers

The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the Conservation Reserve Program (CRP) Continuous Signup.

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program's long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.



Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

For more information, including a list of acceptable practices, contact your <u>local USDA Service Center</u> or visit <u>fsa.usda.gov/crp</u>.

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

CRP contract holders are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or socially disadvantaged farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the landowner or operator for up to two additional years after the CRP contract expires.



CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants must agree to sell, have a contract to sell, or agree to lease long term (at least five years) land enrolled in an expiring CRP contract to a beginning, veteran, or socially disadvantaged farmer or rancher who is not a family member.

Beginning, veteran or social disadvantaged farmers and ranchers and CRP participants may enroll in TIP beginning two years before the expiration date of the CRP contract. The TIP application must be submitted prior to completing the lease or sale of the affected lands. New landowners or renters that return the land to production must use sustainable grazing or farming methods.

For more information, contact your contact your local Service Center or visit fsa.usda.gov.

RMA Extends Comment Period for Proposed Changes to Apple Crop Insurance Policy

USDA extended the comment period deadline contained in the proposed rule for the Apple Crop Provisions through April 15, 2022. USDA's Risk Management Agency (RMA) originally announced the publication of a proposed rule in the Federal Register to amend the Apple Crop Provisions in December 2021.

The <u>proposed changes</u> are based on stakeholder feedback and recommended changes from a contracted study on the apple crop insurance program.

Following feedback from the proposed rule, RMA will publish a final rule that is expected to be effective for the 2024 crop year.

RMA is proposing to make changes to the apple crop insurance program that:

- Enable producers to elect different coverage levels and percent of price elections by type, which allows producers to manage individual coverage and price risk more effectively.
- Allow producers' premiums to be reduced in response to orchard management practices, such as removing or grafting trees, that typically occur after the acreage reporting date and decrease an orchard's productivity.
- Allow producers to insure at a higher price for apples sold predominantly to direct markets or premium processing markets.
- Exclude apples sold for the slicer market from being considered "fresh apple production."
- Introduce a fresh fruit factor to account for the reduced market value of production insured under the Quality Option sold for a grade other than U.S. Fancy.

Interested parties can submit comments via the Federal Register.

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the RMA Agent Locator. Learn more about crop insurance and the modern farm safety net at rma.usda.gov.

File Before You Tile

If you don't have a current determination or you plan to conduct activities that may affect <u>highly erodible land conservation (HELC) or wetland compliance</u> (WC) on your land, notify FSA by filing form AD-1026.

Common activities needing a Form AD-1026 include:

- bringing new land into production
- removing fence rows
- conducting drainage activities
- combining fields

FSA will notify NRCS of the submitted AD-1026, and NRCS will then provide highly erodible land or wetland technical evaluations and issue determinations if needed.

It's best to receive a determination before breaking ground. Then FSA and NRCS can help you make an informed decision about what is best for your farm operation up front, before funds are spent or lost.



Grant & Loan Opportunities Available to Producers through USDA Rural Development

Value Added Producer Grant

We are now accepting applications for the <u>Value Added Producer Grant</u> (<u>VAPG</u>) program. Agricultural producers may apply for planning grants up to \$75,000 or working capital grants up to \$250,000. Refer to the <u>Federal Register</u> for application guidelines. Please contact a Michigan Rural Business Specialist near you for more information (listed below).



Free Training Sessions: Sign up here to join a workshop near you! (Workshops run from March 16 to March 23, 2022

Meat and Poultry Processing Expansion Program (Grant Opportunity)

The Meat and Poultry Processing Expansion Program (MPPEP) provides grants to help eligible processors expand their capacity. USDA Rural Development designed the MPPEP to encourage competition and sustainable growth in the U.S. meat processing sector, and to help improve supply chain resiliency. Click here to learn more.

Webinar Slides: Click <u>here</u> for the webinar slides covering the basics of the program.

Food Supply Chain Guaranteed Loan

The Food Supply Chain Guaranteed Loan Program provides financial support to qualified lenders whose loan applicants want to start or expand middle of the food supply chain activities such as aggregation, processing, manufacturing, storage, transportation, wholesale, or distribution of food. Click here to learn more.

Recorded Webinar: Click <u>here</u> to watch the webinar for lenders.

USDA Updates Farm Loan Programs to Increase Equity

USDA is updating its farm loan programs to better support current borrowers, including historically underserved producers. These improvements are part of USDA's commitment to increase equity in all programs, including farm loans that provide important access to capital for covering operating expenses and purchasing land and equipment.



The 2018 Farm Bill authorized FSA to provide equitable relief to certain direct loan borrowers, who are non-compliant with program requirements due to good

faith reliance on a material action of, advice of, or non-action from an FSA official. Previously, borrowers may have been required to immediately repay the loan or convert it to a non-program loan with higher interest rates, less favorable terms, and limited loan servicing.

Now, FSA has additional flexibilities to assist borrowers in such situations. If the agency provided incorrect guidance to an existing direct loan borrower, the agency may provide equitable relief to that borrower. FSA may assist the borrower by allowing the borrower to keep their loans at current rates or other terms received in association with the loan which was determined to be noncompliant, or the borrower may receive other equitable relief for the loan as the Agency determines to be appropriate.

USDA encourages producers to reach out to their local loan officials to ensure they fully understand the wide range of loan and servicing options available that can assist them in starting, expanding or maintaining their operation.

Additional Updates

Equitable relief is one of several changes authorized by the 2018 Farm Bill that USDA has made to the direct and guaranteed loan programs. Other changes that were previously implemented include:

- Modifying the existing three-year farming experience requirement for Direct Farm Ownership loans to include additional items as acceptable experience.
- Allowing socially disadvantaged and beginning farmer applicants to receive a guarantee equal to 95% rather than the otherwise applicable 90% guarantee.
- Expanding the definition of and providing additional benefits to veteran farmers.
- Allowing borrowers who received restructuring with a write down to maintain eligibility for an Emergency loan.
- Expanding the scope of eligible issues and persons covered under the agricultural Certified Mediation Program.

Additional information on these changes is available in the March 8, 2022 rule on the Federal Register.

More Background

FSA has taken other recent steps to increase equity in its programs. Last summer, USDA announced it was providing \$67 million in competitive loans through its new Heirs' Property Relending Program to help agricultural producers and landowners resolve heirs' land ownership and succession issues. FSA also invested \$4.7 million to establish partnerships with organizations to provide outreach and technical assistance to historically underserved farmers and ranchers, which contributed to a fourfold increase in participation by historically underserved producers in the Coronavirus Food Assistance Program 2 (CFAP 2), a key pandemic assistance program, since April 2021.

Additionally, in January 2021, Secretary Vilsack announced a <u>temporary suspension of past-due debt</u> <u>collection and foreclosures</u> for distressed direct loan borrowers due to the economic hardship imposed by the COVID-19 pandemic.

Producers can explore available loan options using the <u>Farm Loan Discover Tool on farmers.gov</u> (<u>also available in Spanish</u>) or by contacting their local <u>USDA Service Center</u>. Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Due to the pandemic, some USDA Service Centers are open to limited visitors. Producers can <u>contact their local Service Center</u> to set up an inperson or phone appointment to discuss loan options.

March 2022 Lending Rates

FSA loans provide important access to capital to help agricultural producers start or expand their farming operation, purchase equipment and storage structures or meet cash flow needs.

Operating, Ownership and Emergency Loans

FSA offers farm ownership and operating loans with favorable interest rates and terms to help eligible agricultural producers, whether multi-generational, long-time or new to the industry, obtain financing needed to start, expand or



maintain a family agricultural operation. FSA also offers emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters or quarantine. For many loan options, FSA sets aside funding for historically underserved producers, including veterans, beginning, women, American Indian or Alaskan Native, Asian, Black or African American, Native Hawaiian or Pacific Islander, and Hispanic farmers and ranchers

Interest rates for Operating and Ownership loans for March 2022 are as follows:

• Farm Operating Loans (Direct): 2.375%

- Farm Ownership Loans (Direct): 3.000%
- Farm Ownership Loans (Direct, Joint Financing): 2.500%
- <u>Farm Ownership Loans</u> (Down Payment): 1.500%
- Emergency Loan (Amount of Actual Loss): 3.375%

FSA also offers guaranteed loans through commercial lenders at rates set by those lenders.

You can find out which of these loans may be right for you by using our <u>Farm Loan Discovery Tool</u> (<u>also available in Spanish</u>).

Commodity and Storage Facility Loans

Additionally, FSA provides low-interest financing to producers to build or upgrade on-farm storage facilities and purchase handling equipment and loans that provide interim financing to help producers meet cash flow needs without having to sell their commodities when market prices are low. Funds for these loans are provided through the Commodity Credit Corporation (CCC) and are administered by FSA.

- Commodity Loans (less than one year disbursed): 1.875%
- Farm Storage Facility Loans:

Three-year loan terms: 1.500%
Five-year loan terms: 1.750%
Seven-year loan terms: 1.875%
Ten-year loan terms: 1.875%
Twelve-year loan terms: 2.000%

• Sugar Storage Facility Loans (15 years): 2.125%

More Information

Producers can explore available options on all FSA loan options at <u>fsa.usda.gov</u> or by contacting your local <u>USDA Service Center</u>.

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