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USDA United States Department of Agriculture

Farm Service Agency Electronic News Service

NEWSLETTER

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New Jersey State FSA Newsletter

New Jersey Farm Service Agency

300 Clocktower Drive
Suite 202
Hamilton Square, NJ 08690

Phone:
609-587-0104

State Committee:
Linda A. DuBois, Chair
Kurt W. Alstede
Samuel G. Conard
Marty J. Bullock
Sean Gertner

State Executive Director:
Barry Calogero

Farm Loan Chief:
Kevin Murphy

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Dates & Deadlines
Dec 24 & 25 - Offices Closed
Dec 31 - NAP Coverage Deadline see article below
Jan 1 - Offices Closed
Jan 2 – Honeybee Colony Inventory Report Due
Jan 15 – Acreage reporting deadline for fruit trees, vines & berries (including strawberries)

Conservation Reserve Program Sign-up Now Open

USDA opened signup for the Conservation Reserve Program (CRP) on December 9, 2019. The deadline for agricultural producers to sign up for general CRP is February 28, 2020, while signup for continuous CRP is ongoing.

Farmers and ranchers who enroll in CRP receive a yearly rental payment for voluntarily establishing long-term, resource-conserving plant species, such as approved grasses or trees (known as “covers”) to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands.

CRP has 22 million acres enrolled, but the 2018 Farm Bill lifted the cap to 27 million acres. This means farmers and ranchers have a chance to enroll in CRP for the first time or continue their participation for another term.

By enrolling in CRP, producers are improving water quality, reducing soil erosion, and restoring habitat for wildlife. This in turn spurs hunting, fishing, recreation, tourism, and other economic development across rural America.

CRP Enrollment Options

General Signup

CRP general signup will be held annually. The competitive general signup will now include increased opportunities for enrollment of wildlife habitat through the State Acres For Wildlife Enhancement (SAFE) initiative.

Continuous Signup

While some practices under SAFE will remain available through continuous signup, CRP continuous signup will focus primarily on water quality with the Clean Lakes, Estuaries, and Rivers (CLEAR) Initiative. The 2018 Farm Bill prioritizes water quality practices such as contour grass strips, filter strips, riparian buffers, wetlands and a new prairie strip.

USDA will also be working with Conservation Reserve Enhancement Program (CREP) partners to relaunch CREP continuous options in each state under new statutory provisions. CREP will continue to target high-priority local, state or regional conservation concerns.

Grasslands Signups

CRP Grasslands signup helps landowners and operators protect grassland, including rangeland, and pastureland and certain other lands while maintaining the areas as grazing lands. A separate CRP Grasslands signup will be offered each year following general signup.

Pilot Programs

Later in 2020, (FSA will roll out pilot programs within CRP: CLEAR 30, which allows contracts expiring with CLEAR practices to be reenrolled in 30-year contracts and in the Soil Health and Income Protection Program (SHIPP) in the prairie pothole region. More information on these programs will be announced in the new year.

Land Transition

The CRP Transition Incentives Program (TIP) is an option for producers interested in transitioning land to a beginning farmer or rancher or a member of a socially disadvantaged group to return land to production for sustainable grazing or crop production. CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants may have a lease less than five years with an option to purchase, and they have two years before the end of the CRP contract to make conservation and land improvements.

Previously Expired Land

Land enrolled in CRP under a 15-year contract that expired in September 2017, 2018 or 2019, may be eligible for enrollment if there was no opportunity for re-enrollment and the practice under the expired contract has been maintained.

CRP Rates and Payments

FSA recently posted updated soil rental rates for CRP. County average rates are posted on the CRP Statistics webpage. Soil rental rates are statutorily prorated at 90 percent for continuous signup and 85 percent for general signup. The rental rates will be assessed annually. Under continuous signup, producers also receive incentives, including a signup incentive payment and a practice incentive payment.

To enroll in CRP, contact your local FSA county office or visit fsa.usda.gov/crp. To locate your local FSA office, visit farmers.gov/service-locator.

Producers Urged to Consider NAP/Crop Insurance Coverage before December 31st Deadline

Basic NAP coverage is free and Buy-Up coverage premiums are 50% off for beginning, limited resource, minority and women farmers.

The USDA Farm Service Agency (FSA) reminds producers to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the crop deadlines.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

NAP Buy-Up Coverage Option

The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Buy-up coverage is not available for crops intended for grazing.

NAP Service Fees

For all coverage levels, the NAP service fee is the lesser of $325 per crop or $825 per producer per county, not to exceed a total of $1,950 for a producer with farming interests in multiple counties

NAP Enhancements for Qualified Military Veterans

The 2018 Farm Bill NAP amendments specify that qualified veteran farmers or ranchers are now eligible for a service fee waiver and premium reduction, if the NAP applicant meets certain eligibility criteria.

Beginning, limited resource and targeted underserved farmers or ranchers remain eligible for a waiver of NAP service fees and premium reduction when they file form CCC-860, "*Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification.*"

Deadlines for 2020 crop year NAP Coverage:

- **12/31/19** – Asparagus, Beets, Broccoli ,Cabbage ,Carrots, Cauliflower, Greens, Herbs, Horseradish, Kohlrabi, Leeks, Lettuce, Parsnip, Peas, Radishes, Rhubarb, Turnips, Water Cress
- **03/15/20** – Beans, Brussel-Sprouts, Cantaloupes, Celery, Corn, Cucumbers, Eggplant, Honeydew, Oats, Okra, Peppers, Pumpkins, Sorghum, Soybeans, Squash, Sunflowers, Sweet Potatoes & Yams, Tomatillos, Tomatoes, Watermelons.

*This is not an all-inclusive list of covered crops. For more information on the NAP Program please contact you local office for additional information.

For NAP application, eligibility and related program information, visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To locate your local FSA office, visit www.farmers.gov.

Some crops are covered through independent crop insurance agents and are not eligible for NAP. For more info on crop insurance visit www.rma.usda.gov.

Value Added Producer Grants from Rural Development

Applications are now being accepted for 2020 Value Added Producer Grants. The deadline for applications is March 10, 2020. You can find more information on the USDA Rural Development Website.

Overview

The Value-Added Producer Grant (VAPG) Program is a competitive grants program administered by the Rural Business Cooperative Service at USDA to help producers move into value-added agricultural enterprises. The term "value-added" refers to an agricultural commodity or product that has changed physically or was produced, marketed or segregated (for example, identity preserved, eco labeling, etc.) in a manner that enhances its value or expands its customer base.

First authorized in 2001, the program was expanded and improved under the 2002 and 2008 Farm Bills. This program aims to provide planning and/or capital investment for value-adding enterprises started by farmers, ranchers, foresters and fishermen. These enterprises help increase income, create new jobs, contribute to community and rural economic development, and enhance food choices for consumers. To be eligible for grant funding, applicants for a VAPG must meet requirements that are outlined in the Notice of Funds Available (NOFA) published in the Federal Register. If you are an independent producer, a farmer or rancher cooperative, agricultural producer group or a majority-controlled producer-based business venture, you are eligible to apply for a value-added grant. The NOFA will provide definitions for each of these categories, along with other requirements of the program. A new NOFA is published each fiscal year and includes any information relating to any particular emphasis USDA is considering.

Types of Grants

When applying for a grant, applicants must choose between two different types of activities for funding. Funding is available for:

1. Planning grants to develop feasibility studies, business plans, marketing plans and legal evaluations. ($75,000 maximum award)
2. Working capital grants to purchase inventory, office equipment and supplies; pay salaries, utilities and office rent; cover legal and accounting costs; conduct marketing campaigns; and develop branding and packaging materials. ($250,000 maximum award)

Applicants are eligible to apply for only one of these two types of grants each grant cycle. Grant funds may not be used for repair, acquisition or construction of a building or facility or to purchase, rent or install fixed equipment. Cash and/or in-kind matching funds are required, must be at least equal to the amount of Federal funds awarded and must be expended in advance. That is, for each grant dollar advanced, an equal amount of match must have been expended first.

Matching Funds

The program requires a one-to-one match. A cash match is defined as actual funds dedicated to the project. An in-kind match includes time, equipment, space, staff salaries, etc. Examples of a cash match might be third-party contributions from groups, farm organizations or individuals donating cash toward a project; the salary of a person or persons working on a project (cash transaction); travel expenses to attend meetings or participate in training sessions; state appropriations or non-federal funds that have not been spent; bank financing; revolving loan funds; or county financing. Examples of in-kind contributions include space; equipment; supplies, copies, telephone and other expenses that are dedicated to the project; volunteer time/unpaid services provided to a recipient by an individual or employee working on a project (non-cash transaction); value of hours of non-federally funded personnel assisting with project, for example, State Dept. of Agriculture, local economic development agencies, volunteer board members, etc; donation of office space or meeting rooms; or donation of inventory including equipment or buildings.

Types of Valued-Added Activities Eligible for Grants

VAPG funds may be used for:

- Commodity processing
- Market differentiation
- Commodity segregation
- On-farm production of renewable energy
- Local food
- Mid-tier value chain

Increasing value by changing commodity's physical state, by marketing the commodity's special identity or character, by keeping the commodity physically apart in production and distribution, by aggregating and marketing food for local markets, by linking farmers with local and regional supply networks in which they are an equal partner and realizing value by transforming natural resources into energy on the farm. Some examples include: wine, flour, cheese, jam, biodiesel, organic, grass-fed, humane, state branding, GMO-free, no-rBGH, varietal purity, wind, solar, geothermal, on-farm biodiesel, buy local - buy fresh, community-based food enterprises, supplying local preferences, farm to institution, farm to food service or restaurant and value chain using a consumer seal

VAPG funds may ***not*** be used for:

- Agricultural production, harvesting or commodity transportation.
- Research and development (the specific value-added product must already be known and have a high probability of success).
- Land, real estate facility planning, design, engineering, acquisition, repair, improvement or construction.
- Purchase or rent of machinery and equipment (other than office and computer equipment), vehicles or boats.
- Payments to any firm not at least 51 percent owned by US citizens or permanent residents.
- Payments to owners or family members (salaries, dividends, etc.)
- Grant application costs or lobbying.

Examples of Past Grant Recipients

The case studies of 53 **VAPG recipients** are also available for reference. At its website, USDA Rural Development provides a complete **VAPG information**.

Preparing an Application

The most recent information on funding availability and applications is available through your **state USDA Rural Development Office**. Check with them or your state's Department of Agriculture about recent news or upcoming workshops about the program. They can provide information, applications and guidance on when and how to apply for a grant.

USDA Invites Input on Environmental Quality Incentives Program Rule

The U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS) seeks public comments on its interim rule for the Environmental Quality Incentives Program (EQIP), USDA's flagship program that helps producers plan and implement 150-plus conservation practices on working lands. The rule – now available on the Federal Register – takes effect upon publication and includes changes to the program prescribed by the 2018 Farm Bill.

"The Environmental Quality Incentives Program gives farmers, ranchers and forest landowners the tools they need to improve their agricultural operations while conserving natural resources," NRCS Chief Matthew Lohr said. "The 2018 Farm Bill further strengthens this popular conservation program to enable NRCS to better support locally led conservation efforts while also expanding producers' ability to address significant resource concerns."

NRCS will make available $1.2 billion for interested producers in fiscal 2020. NRCS state offices will announce signup periods for EQIP in the coming weeks.

Changes to EQIP include:

- Creating incentive contracts and payments for incentive practices to better support locally led conservation needs.
- Requiring NRCS to offer an advance payment option for historically underserved producers.
- Raising the payment cap for producers participating in the Organic Initiative to $140,000 for contracts entered into between fiscal 2019 through 2023.
- Expanding the Conservation Innovation Grant program, which is funded through EQIP, to include opportunities for On-Farm Conservation Innovation Trials and Soil Health Demonstration Trials.

The 2018 Farm Bill created incentive contracts, which address up to three priority resource concerns within targeted watersheds and other high priority landscapes. While typical EQIP contracts last five years, these contracts last five to 10 years.

The Farm Bill also enabled increased payments for priority practices, through which NRCS can designate up to 10 practices in each state to receive the higher rates.

Submitting Comments

NRCS invites comments on this interim rule through February 17, 2020. Electronic comments must be submitted through regulations.gov under Docket ID NRCS-2019-0009. All written comments received will be publicly available on http://www.regulations.gov.

NRCS will evaluate public comments to determine whether additional changes are needed. The agency plans on publishing a final rule following public comment review.

Applying for EQIP

NRCS provides producers with financial resources and one-on-one help to plan and implement conservation practices through EQIP. Popular EQIP practices include cover crops, nutrient management, forest stand improvement, prescribed grazing, irrigation efficiency improvement, and practices related to water quality improvement. Implementing conservation practices can lead to cleaner water and air, healthier soil and better wildlife habitat while improving agricultural operations.

EQIP applications are accepted on a continuous basis. If a producer's application is funded, NRCS will offer an EQIP contract for financial assistance for the cost of implementing the practices. Payment rates for conservation practices are reviewed and set each fiscal year.

For more information on how to sign up for EQIP in your state, visit your state website from nrcs.usda.gov or contact your local NRCS field office.

USDA to Measure Quarterly Colony Loss and Honey Production

The U.S. Department of Agriculture's National Agricultural Statistics Service (NASS) will be collecting information about colony loss in the honey industry and honey production throughout the United States. The Quarterly Colony Loss survey will be conducted December 2019 through January 2020. This survey collects information about colony inventory and loss from more than 400 producers with honey bee colonies in the Northeastern Region of the United States.

The Bee and Honey Production, Disposition, and Income (PDI) survey will be conducted December 2019 through February 2020. This survey collects information on the number of honey producing colonies, honey production, honey stocks, pounds of honey sold, and dollars received by honey color class and marketing channel from approximately 1,000 growers in the Northeastern Region of the United States.

"The information from these surveys directly impacts our region's beekeepers and honey producers," said King Whetstone, director of the NASS Northeastern Regional Field Office. "Beekeepers and producers can use the survey results when making business plans and marketing decisions. Cooperative Extension uses the data to provide needed outreach and education and State Departments and Agencies of Agriculture use the information to set insurance values," stated Whetstone.

For their convenience, survey participants have the option to respond online. As with all NASS surveys, information provided by respondents is confidential by law. NASS safeguards the confidentiality of all responses and publishes only State and National level data, ensuring that no individual producer or operation can be identified.

The annual *Honey Bee Colonies* publication is available online every August. The annual *Bee and Honey PDI* publication is available online every March. Previous publications are also available for review. These reports can be found online at http://www.nass.usda.gov. For more information on NASS surveys and reports, call the NASS Northeastern Regional Field Office at (800) 498-1518.