

New Mexico FSA State Newsletter - December 2022

In This Issue:

- Message from the State Executive Director
- <u>Before You Break Out New Ground, Ensure Your Farm Meets</u> <u>Conservation Compliance</u>
- Environmental Review Required Before Project Implementation
- USDA Offers Options for Signing and Sharing Documents Online
- USDA Updates Farm Loan Programs to Increase Equity
- <u>Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their</u>
 Operation
- <u>USDA Previews Crop and Revenue Loss Assistance for Agricultural Producers</u>
- <u>Farmers Can Now Make 2023 Crop Year Elections, Enroll in Agriculture</u>
 Risk Coverage and Price Loss Coverage Programs
- <u>USDA Announces Assistance for On-Farm Food Safety Expenses for Specialty Crop Growers</u>
- Biden-Harris Administration Announces an Additional \$325 Million in Pilot Projects through Partnerships for Climate-Smart Commodities, for Total Investment of \$3.1 Billion

Message from the State Executive Director

Howdy Neighbor,

I hope you and your family had a festive Thanksgiving and were able to step back and reflect on all the great blessings that we have in our lives. As I do every year around this holiday season, I took a moment for myself to think back on the year and reflect on what I am thankful for. During this time of reflection, I think back to all the challenges of the year, and it was at that moment I realized, I am most thankful for the people in my life. Whether good or bad I lean on those people to help me get through whatever challenge is going on at the time. It is that support team that allows me to make decisions, think clearly, and push through the work. I couldn't do it without them.

So, as we continue through the holiday season, through the work on the farm and ranch, please take a moment to think on what is important to you and what you are thankful for most. Most importantly remember what this time of the year is about. As you do that, I can

assure you the team at New Mexico FSA are thankful for you as a friend and neighbor. Thank you for being our customer.

The deadline for producers to enroll in the Dairy Margin Coverage (DMC) and Supplemental Dairy Margin Coverage (SDMC) for program year 2023 has been extended to January 31, 2023. For more information, please visit the DMC webpage.

USDA is preparing to roll out the <u>Emergency Relief Program (ERP)</u> Phase Two as well as the new <u>Pandemic Assistance Revenue Program (PARP)</u>, which are two programs to help offset crop and revenue losses for producers. USDA is sharing early information to help producers gather documents and train front-line staff on the new approach.

ERP Phase Two will assist eligible agricultural producers who suffered eligible crop losses, measured through decreases in revenue, due to wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture and qualifying droughts occurring in calendar years 2020 and 2021.

PARP will assist eligible producers of agricultural commodities who experienced revenue decreases in calendar year 2020 compared to 2018 or 2019 due to the COVID-19 pandemic. PARP will help address gaps in previous pandemic assistance, which was targeted at price loss or lack of market access, rather than overall revenue losses.

We have several open signup periods for emergency conservation programs. Please see deadlines listed below under Important Dates.

Please contact your local FSA office for further information. Click <u>here</u> find the service center's contact information.

To learn basic program information, visit FSA's Fact Sheet page, click here.

In the articles below you will find more information on the \$3.1 Billion investment for Climate-Smart Agriculture and support for underserved farmers and ranchers. Additional information can be found at Partnerships for Climate-Smart Commodities.

Lastly, I wish you and your family a Happy, Safe, and Memorable Holiday.

Sincerely,

Jonas Moya

OFFICE CLOSURE

- Christmas Day December 26 (observed)
- New Year's Day January 2, 2023 (observed)
- Birthday of Martin Luther King Jr. January 16, 2023 (observed)

IMPORTANT DATES

Compliance, Acreage Reporting Deadline

- Apples January 15
- Alfalfa January 31
- Livestock Forage Program (LFP)
 - 2022 Application for Payment Deadline January 30
- Emergency Livestock Assistance Program (ELAP)
 - o 2022 Application for Payment Deadline January 30
- Dairy Margin Coverage (DMC)
 - 2023 Annual Registration & Coverage Election January 31
- Food Safety Certification for Specialty Crops (FSCSC)
 - o 2022 Application Deadline
- Noninsured Crop Disaster Assistance Program (NAP)
 - Application Closing Dates:
 - Alfalfa, Cucumbers, Mixed Forage, Pecans, Peppers January 31
 - Cabbage, Carrots, Spinach/Greens February 1
- Livestock Indemnity Program (LIP)
 - o 2022 Application for Payment Deadline March 1
- Agricultural Risk Coverage Price Loss Coverage
 - Contract Deadline March 15
- Conservation Programs
 - Emergency Forest Restoration Program (EFRP)
 - Mora County
 - Wildfire Hermit's Peak Calf Canyon Fire Application Deadline - January 9
 - San Miguel County
 - Wildfire Hermit's Peak Calf Canyon Fire Application Deadline - January 9
 - Emergency Conservation Program (ECP)
 - Harding County Wildfire February 3
 - Mora County Flooding, area outside of Hermit's Peak/Calf Canyon Fire Perimeter Application Deadline - January 9
 - San Miguel County Flooding, area outside of Hermit's Peak/Calf Canyon Fire Perimeter Application Deadline - January 9
 - Sign Up Period Pending to be Established for the Following Counties:
 - Harding Wildfire
 - Hidalgo Flooding

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.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program

(ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, the request will be denied. Although there are exceptions regarding the Stafford Act and emergencies, it's important to wait until you receive written approval of your project proposal before starting any actions.

Applications cannot be approved until FSA has copies of all permits and plans. Contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

USDA Offers Options for Signing and Sharing Documents Online

Farmers and ranchers working with USDA's Farm Service Agency or Natural Resources Conservation Service can now sign and share documents online in just a few clicks. By using Box or OneSpan, producers can digitally complete business transactions without leaving their homes or agricultural operations. Both services are free, secure, and available for multiple FSA and NRCS programs.

Box is a secure, cloud-based site where FSA or NRCS documents can be managed and shared. Producers who choose to use Box can create a username and password to access their secure Box account, where documents can be downloaded, printed, manually signed, scanned, uploaded, and shared digitally with Service Center staff. This service is available to any FSA or NRCS customer with access to a mobile device or computer with printer connectivity.

OneSpan is a secure eSignature solution for FSA and NRCS customers. Like Box, no software downloads or eAuthentication is required for OneSpan. Instead, producers interested in eSignature through OneSpan can confirm their identity through two-factor authentication using a verification code sent to their mobile device or a personalized question and answer. Once identity is confirmed, documents can be reviewed and esigned through OneSpan via the producer's personal email address. Signed documents immediately become available to the appropriate Service Center staff.

Box and OneSpan are both optional services for customers interested in improved efficiency in signing and sharing documents with USDA, and they do not replace existing systems using eAuthentication for digital signature. Instead, these tools provide additional digital options for producers to use when conducting business with FSA or NRCS.

USDA Service Center staff are available to help producers get started with Box and OneSpan through a few simple steps. Please visit farmers.gov/service-locator to find your local office and let Service Center staff know you're interested in signing and sharing documents through these new features. In most cases, one quick phone call will be all that is needed to initiate the process.

Visit <u>farmers.gov/mydocs</u> to learn more about Box and OneSpan, steps for getting started, and additional resources for conducting business with USDA online.

USDA Updates Farm Loan Programs to Increase Equity

The U.S. Department of Agriculture (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 <u>rule on the Federal Register</u>.

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 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 Discovery 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 in-person or phone appointment to discuss loan options.

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

Farmers and ranchers 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 <u>farmers.gov/fund</u> 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.

USDA Previews Crop and Revenue Loss Assistance for Agricultural Producers

Agriculture Secretary Tom Vilsack today announced plans for additional emergency relief and pandemic assistance from the U.S. Department of Agriculture (USDA). USDA is preparing to roll out the Emergency Relief Program (ERP) Phase Two as well as the new Pandemic Assistance Revenue Program (PARP), which are two programs to help offset crop and revenue losses for producers. USDA is sharing early information to help producers gather documents and train front-line staff on the new approach.

ERP Phase Two will assist eligible agricultural producers who suffered eligible crop losses, measured through decreases in revenue, due to wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture and qualifying droughts occurring in calendar years 2020 and 2021.

PARP will assist eligible producers of agricultural commodities who experienced revenue decreases in calendar year 2020 compared to 2018 or 2019 due to the COVID-19 pandemic. PARP will help address gaps in previous pandemic assistance, which was targeted at price loss or lack of market access, rather than overall revenue losses.

Emergency Relief Program Phase Two

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.

Phase Two builds on ERP Phase One, which was <u>rolled out in May 2022</u> and has since paid more than \$7.1 billion to producers who incurred eligible crop losses that were covered by federal crop insurance or Non-insured Crop Disaster Assistance Program.

ERP Phase Two includes producers who suffered eligible losses but may not have received program benefits in Phase One. To be eligible for Phase Two, producers must have suffered a loss in allowable gross revenue as defined in forthcoming program regulations in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event.

Eligible crops include both traditional insurable commodities and specialty crops that are produced in the United States as part of a farming operation and are intended to be commercially marketed. Like other emergency relief and pandemic assistance programs, USDA's Farm Service Agency (FSA) continues to look for ways to simplify the process for both staff and producers while reducing the paperwork burden. The design of ERP Phase Two is part of that effort.

In general, ERP Phase Two payments are expected to be based on the difference in certain farm revenue between a typical year of revenue as will be specified in program regulations for the producer and the disaster year. ERP Phase Two assistance is targeted to the remaining needs of producers impacted by qualifying natural disaster events, while avoiding windfalls or duplicative payments. Details will be available when the rule is published later this year.

Deadline for Emergency Relief Program Phase One

Producers who are eligible for assistance through ERP Phase One have until Friday, Dec. 16, 2022, to contact FSA at their local <u>USDA Service Center</u> to receive program benefits. Going forward, if any additional ERP Phase One prefilled applications are generated due to corrections or other circumstances, there will be a 30-day deadline from the date of notification for that particular application.

Pandemic Assistance Revenue Program

PARP is authorized and funded by the Consolidated Appropriations Act of 2021.

To be eligible for PARP, an agricultural producer must have been in the business of farming during at least part of the 2020 calendar year and had a certain threshold decrease in allowable gross revenue for the 2020 calendar year, as compared to 2018 or 2019. Exact details on the calculations and eligibility will be available when the forthcoming rule is published.

How Producers Can Prepare

ERP Phase Two and PARP will use revenue information that is readily available from most tax records. FSA encourages producers to have their tax documents from the past few years and supporting materials ready, as explained further below. Producers will need similar documentation to what was needed for the Coronavirus Food Assistance Program (CFAP) Phase Two, where a producer could use 2018 or 2019 as the benchmark year relative to the disaster year.

In the coming weeks, USDA will provide additional information on how to apply for assistance through ERP Phase Two and PARP. In the meantime, producers are encouraged to begin gathering supporting documentation including:

- Schedule F (Form 1040); and
- Profit or Loss from Farming or similar tax documents for tax years 2018, 2019, 2020, 2021 and 2022 for ERP and for calendar years 2018, 2019 and 2020 for PARP.

Producers should also have, or be prepared to have, the following forms on file for both ERP and PARP program participation:

- Form AD-2047, *Customer Data Worksheet* (as applicable to the program participant);
- Form CCC-902, Farm Operating Plan for an individual or legal entity;
- Form CCC-901, Member Information for Legal Entities (if applicable); and
- Form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification.

Most producers, especially those who have previously participated in FSA programs, will likely have these required forms on file. However, those who are uncertain or want to confirm should contact FSA at their local USDA Service Center.

In addition to the forms listed above, underserved producers are encouraged to register their status with FSA, using Form CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, as certain existing permanent and ad-hoc disaster programs provide increased benefits or reduced fees and premiums.

Through proactive communications and outreach, USDA will keep producers and stakeholders informed as program eligibility, application and implementation details unfold.

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</u> <u>Coverage (ARC) and Price Loss 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 webbased decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- Gardner-farmdoc Payment Calculator, 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 Announces Assistance for On-Farm Food Safety Expenses for Specialty Crop Growers

Agriculture Secretary Tom Vilsack announced that the U.S. Department of Agriculture (USDA) plans to provide up to \$200 million in assistance for specialty crop producers who incur eligible on-farm food safety program expenses to obtain or renew a food safety certification in calendar years 2022 or 2023. USDA's new Food Safety Certification for Specialty Crops (FSCSC) program will help to offset costs for specialty crop producers to comply with regulatory requirements and market-driven food safety certification requirements, which is part of USDA's broader effort to transform the food system to create a more level playing field for small and medium producers and a more balanced, equitable economy for everyone working in food and agriculture.

Specialty crop operations can apply for assistance for eligible expenses related to a 2022 food safety certificate issued on or after June 21, 2022, beginning June 27, 2022. USDA is delivering FSCSC to provide critical assistance for specialty crop operations, with an emphasis on equity in program delivery while building on lessons learned from the COVID-19 pandemic and supply chain disruptions. Vilsack made the announcement from Hollis, N.H., where he toured a local, family-owned farm and highlighted USDA's efforts to help reduce costs for farmers and support local economies by providing significant funding

to cut regulatory costs and increase market opportunities for farmers in New Hampshire and across the nation.

Program Details

FSCSC will assist specialty crop operations that incurred eligible on-farm food safety certification and related expenses related to obtaining or renewing a food safety certification in calendar years 2022 and 2023. For each year, FSCSC covers a percentage of the specialty crop operation's cost of obtaining or renewing their certification, as well as a portion of their related expenses.

To be eligible for FSCSC, the applicant must be a specialty crop operation; meet the definition of a small business or very small business; and have paid eligible expenses related to the 2022 (issued on or after June 21, 2022) or 2023 certification.

Specialty crop operations may receive assistance for the following costs:

- Developing a food safety plan for first-time food safety certification.
- Maintaining or updating an existing food safety plan.
- Food safety certification.
- Certification upload fees.
- Microbiological testing for products, soil amendments and water.
- Training

FSCSC payments are calculated separately for each category of eligible costs. A higher payment rate has been set for socially disadvantaged, limited resource, beginning and veteran farmers and ranchers. Details about the payment rates and limitations can be found at farmers.gov/food-safety.

Applying for Assistance

The FSCSC application period for 2022 is June 27, 2022, through January 31, 2023, and the application period for 2023 will be announced at a later date. FSA will issue payments at the time of application approval for 2022 and after the application period ends for 2023. If calculated payments exceed the amount of available funding, payments will be prorated.

Interested specialty crop producers can apply by completing the FSA-888, Food Safety Certification for Specialty Crops Program (FSCSC) application. The application, along with other required documents, can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means.

Producers can visit <u>farmers.gov/food-safety</u> for additional program details, eligibility information and forms needed to apply.

Biden-Harris Administration Announces an Additional \$325 Million in Pilot Projects through

Partnerships for Climate-Smart Commodities, for Total Investment of \$3.1 Billion

Agriculture Secretary Tom Vilsack announced 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 Partnerships for Climate-Smart Commodities 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 who produce climate-smart commodities, leverage greenhouse gas benefits of climate-smart production, and provide meaningful benefits to producers, including small and underserved producers.

"Expanding opportunities for small and underserved producers is a key goal of Partnerships for Climate-Smart Commodities. Small and underserved producers are facing the impacts of climate change head on, with limited resources, and have the most to gain from leveraging the growing market demand for agricultural goods produced in a sustainable, climate-smart way. Our goal is to expand markets for climate-smart commodities and ensure that small and underserved producers reap the benefits of these market opportunities," said Vilsack.

The Partnerships for Climate-Smart Commodities funding opportunity had high demand from across agriculture and forestry. Between two funding pools, USDA received over 1,000 proposals requesting more than \$20 billion in funds from more than 700 entities, including nonprofit organizations; for-profits and government entities; farmer cooperatives; conservation, energy and environmental groups; state, tribal and local governments; universities; small businesses; and large corporations. Applications were received from all 50 states, tribal lands, Washington, D.C., and Puerto Rico.

In September, USDA announced \$2.8 billion for 70 tentatively selected projects from the first funding pool, which received over \$18 billion in total project requests for projects between \$5 million to \$100 million. Today, USDA announced an additional \$325 million for 71 projects under the second funding pool, which received over \$2 billion in proposals for projects from \$250,000-\$4,999,999. All of the projects funded through Partnerships for Climate-Smart Commodities require meaningful involvement of small and underserved producers. The second funding pool was particularly focused on innovative projects that emphasize enrolling small and underserved producers and invest in measuring, monitoring, reporting and verifying the benefits of climate-smart practices at minority-serving institutions.

Partnerships for Climate-Smart Commodities projects benefit from a diverse range of project partners, including more than 30 minority-serving institutions, more than 20 tribal partners, and many groups focused on working with small and underserved producers. Projects include support for activities that will expand and increase producer access to markets for climate-smart commodities, provide financial and technical assistance to support climate-smart production practice implementation, include investments in quantifying and monitoring greenhouse gas benefits of those practices, and bring the resulting commodities to new markets.

To maximize access to all types of entities, the Partnerships for Climate-Smart Commodities funding opportunity offered applicants flexibility in terms of match requirements, ample time for applicants to assemble applications, and certainty that grants were appropriately sized to meet the scale and needs of diverse applicants.

USDA is currently in negotiations regarding the first 70 projects and will work with the applicants for all 141 identified projects to finalize the scope and funding levels in the coming months. Funding will be provided by USDA's Commodity Credit Corporation.

Secretary Vilsack made the announcement from Tuskegee University, a Historically Black College and University (HBCU) and 1890 Land-grant University, which is the lead partner on two Partnerships for Climate-Smart Commodity projects: one focused on developing climate-smart markets for agroforestry products and providing underserved producers assistance in transforming traditional production systems into agroforestry-based climate-smart production systems, and the other working with underserved producers to implement silvopasture and climate-resilient forage systems and market climate-smart sheep and goat products.

Other project examples include:

- Through the "Recognizing the Role of Buffalo Production as a Climate-Smart
 Commodity" project, the InterTribal Buffalo Council and other partners plan to work
 with 76 Tribes to incentivize their use of climate-smart practices related to buffalo
 herds. The Tribal Buffalo Market Initiative (TBMI) plans to assist Tribes in
 marketing their buffalo as a climate-smart commodity, develop sustainable
 programs for historically underserved Tribal buffalo producers and create a
 Tribally-led national strategy for education and outreach of buffalo as a climatesmart agricultural product.
- Through the "Validating Agrivoltaic Technology with Underserved Agricultural Producers" project, the University of Texas Rio Grande Valley and other partners plan to pilot the climate-smart co-location of agriculture and solar power (agrivoltaics) to measure and evaluate greenhouse gas benefits and promote equitable climate-smart commodity market development for Hispanic farmers and ranchers. Partners also intend to provide direct financial and culturally relevant technical assistance to participants for implementing agrivoltaic systems on their farms and ranches.
- Through the "Growing, Marketing, and Measuring the Climate-Smart Impacts of Organic Grain and Field Crops" project, Marbleseed plans to work with organic grain producers, as well as those interested in transitioning to organic, to adopt climate-smart agricultural practices. Producers would receive enrollment incentives, and field service coordinators and marketers would help producers with marketing plans and promoting their climate-smart commodities.

A complete list of projects is available at <u>usda.gov/climate-smart-commodities</u>.

The Partnerships for Climate-Smart Commodities projects across both funding pools will deliver important impacts for farmers, ranchers, foresters, and communities nationwide. USDA anticipates that the projects from both funding pools combined will result in:

 Hundreds of expanded markets and revenue streams for farmers and ranchers and commodities across agriculture and forestry ranging from traditional corn to specialty crops.

- More than 60,000 farms reached, encompassing more than 25 million acres
 of working land engaged in climate-smart production practices, like cover crops,
 no-till and nutrient management, as well as pasture and forestry management.
- More than 60 million metric tons of carbon dioxide equivalent sequestered over the lives of the projects. This is equivalent to removing more than 12 million gasoline-powered passenger vehicles from the road for one year.
- Involvement of nearly 100 universities, including over 30 minority serving institutions. This will bring new ideas and innovative skills in monitoring and outreach. This includes:
 - 11 projects with a Historically Black College or University (HBCU) as the lead and more than 35 projects with HBCUs as major partners; and
 - Six projects with a Hispanic Serving Institution (HSI) as the lead and nearly 20 projects with HSIs as major partners.
- Over 20 tribes and tribal groups leading and partnering on many projects and representing tribes across a wide geography.
- Proposals for the 141 selected projects include plans to match on average 50% of the federal investment with non-federal funds.

More Information

Partnerships for Climate-Smart Commodities is part of USDA's broader strategy to position agriculture and forestry as leaders in climate change mitigation through voluntary, incentive-based, market-driven approaches. Visit usda.gov/climate-smart-commodities to learn more about this effort, and usda.gov/climate-solutions for climate-related updates, resources and tools across the Department.

Under the Biden-Harris administration, USDA is engaged in a whole-of-government effort to combat the climate crisis and conserve and protect our Nation's lands, biodiversity and natural resources including our soil, air and water. Through climate-smart agriculture and partnerships, USDA aims to enhance economic growth and create new streams of income for farmers, ranchers, producers and private foresters. Successfully meeting these challenges will require USDA and our agencies to pursue a coordinated approach alongside USDA stakeholders, including State, local and Tribal governments.

USDA touches the lives of all Americans each day in so many positive ways. In 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 www.usda.gov.

100 Sun Ave. NE Suite 200 Albuquerque, NM 87109

Phone: 505-761-4900 Fax: 877-450-0860

State Executive Director: Jonas Moya jonas.moya@usda.gov

Executive Officer:
Brenda Archuleta
brenda.archuleta@usda.gov

Farm Program Chief: Joilynn Gray joilynn.gray@usda.gov Farm Loan Chief: LeAnn Gibbs lisa.gibbs@usda.gov

District Directors:
Andrew Flores
andrew.flores@usda.gov
Oscar Rivera
oscar.rivera@usda.gov
Rhonda Mitchell
rhonda.mitchell@usda.gov

To find contact information for your local office go to www.fsa.usda.gov/NM