

In This Issue:

- USDA Provides Additional Pandemic Assistance to Hog Producers
- NASS to send 2021 Hemp Acreage and Production Survey This Fall
- Applying for FSA Direct Loans
- USDA Launches First Phase of Soil Carbon Monitoring Efforts through CRP
- Linkage Requirements for Payments Received Under WHIP+ and/or QLA
- Selected Interest Rates for December 2021
- Dates to Remember

USDA Provides Additional Pandemic Assistance to Hog Producers

The U.S. Department of Agriculture (USDA) announced a new program to assist hog producers who sold hogs through a negotiated sale during the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic. The Spot Market Hog Pandemic Program (SMHPP) is part of USDA's Pandemic Assistance for Producers initiative and addresses gaps in previous assistance for hog producers. USDA's Farm Service Agency (FSA) will accept applications Dec. 15, 2021 through Feb. 25, 2022.



SMHPP provides assistance to hog producers who sold hogs through a negotiated sale from April 16, 2020 through Sept. 1, 2020. Negotiated sale, or negotiated formula sale, means a sale of hogs by a producer to a packer under which the base price for the hogs is determined by seller-buyer interaction and agreement on a delivery day. USDA is offering SMHPP as packer production was reduced due to the COVID-19 pandemic due to employee illness and supply chain issues, resulting in fewer negotiated hogs being procured and subsequent lower market prices.

The Department has set aside up to \$50 million in pandemic assistance funds through the Coronavirus Aid, Relief and Economic Security (CARES) Act for SMHPP.

SMHPP Program Details

Eligible hogs include hogs sold through a negotiated sale by producers between April 16, 2020, and Sept. 1, 2020. To be eligible, the producer must be a person or legal entity who has ownership in the hogs and whose production facilities are located in the United States, including U.S. territories. Contract producers, federal, state and local governments, including public schools and packers are not eligible for SMHPP.

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of \$54 per head. FSA will issue payments to eligible hog producers as applications are received and approved.

Applying for Assistance

Eligible hog producers can apply for SMHPP starting Dec. 15, 2021, by completing the FSA-940, Spot Market Hog Pandemic Program application. Additional documentation may be required. Visit <u>farmers.gov/smhpp</u> for a copy of the Notice of Funds Availability, information on applicant eligibility and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit farmers.gov/service-locator. Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

NASS to send 2021 Hemp Acreage and Production Survey This Fall

This October, USDA's National Agricultural Statistics Service will mail its first **Hemp Acreage and Production**

Survey. The survey will collect information on the total planted and harvested area, yield, production, and value of hemp in the United States.

The Domestic Hemp Production Program established in the Agriculture Improvement Act of 2018 (2018 Farm Bill) allows for the cultivation of hemp under certain conditions. The Hemp Acreage and Production survey will provide needed data about the hemp industry to assist producers, regulatory agencies, state governments, processors, and other key industry entities.

Producers may complete the survey online at <u>agcounts.usda.gov</u> or they may complete and return the survey by mail using the return envelope provided.

Learn more about the survey at nass.usda.gov/go/hemp.

Applying for FSA Direct Loans



FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain, or strengthen their farm or ranch. Direct loans are processed, approved and serviced by FSA loan officers.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance, and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts,

excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

USDA Launches First Phase of Soil Carbon Monitoring Efforts through CRP



The U.S. Department of Agriculture (USDA) is investing \$10 million in a new initiative to sample, measure, and monitor soil carbon on Conservation Reserve Program (CRP) acres to better quantify the climate outcomes of the program. CRP is an important tool in the Nation's fight to reduce the worst impacts of climate change facing our farmers, ranchers, and foresters. This initiative will begin implementation in fall 2021 with three partners. Today's announcement is part of a broader, long-term soil carbon monitoring effort across agricultural lands that supports USDA's commitment to deliver climate solutions to agricultural producers and rural America through voluntary, incentive-based solutions.

These models include the Daily Century Model, or DayCent, which simulates the movement of carbon and nitrogen through agricultural systems and informs the <u>National Greenhouse Gas Inventory</u>. Data will also be used to strengthen the <u>COMET-Farm</u> and <u>COMET-Planner</u> tools, which enable producers to evaluate potential carbon sequestration and greenhouse gas emission reductions based on specific management scenarios.

USDA partners will conduct soil carbon sampling on three categories of CRP practice types: perennial grass, trees, and wetlands.

Perennial grasses: In consultation with USDA, Michigan State University will sample and measure soil carbon and bulk density of CRP grasslands (including native grass plantings, rangelands, and pollinator habitat plantings) at an estimated 600 sites across the U.S. with a focus in the central states during this five-year project. This information will be used to model and compare the climate benefits of CRP. Partners include the University of Wisconsin-Madison, the University of Arkansas at Pine Bluff, Deveron, an agriculture technology company, and Woods End Laboratories.

Trees: Mississippi State University will partner with Alabama A&M University to collect above and below ground data at 162 sites across seven states documenting CRP-related benefits to soil and atmospheric carbon levels. Information will help further calibrate the DayCent model. This five-year project will focus within the Mississippi Delta and Southeast states.

Wetlands: Ducks Unlimited and its partners will collect data on carbon stocks in wetland soils as well as vegetation carbon levels at 250 wetland sites across a 15-state area in the central U.S. Data will support the DayCent and additional modeling. Partners for this five-year project include: Migratory Bird Joint Venture, Intertribal Research and Resource Center at United Tribes Technical College, Clemson University, Kenyon College, Lincoln University, Pennsylvania State University, the University of Missouri, and the University of Texas at Austin.

CRP Monitoring, Assessment, and Evaluation Projects

These three Climate Change Mitigation Assessment Initiative projects are funded through FSA's program to work with partners to identify Monitoring, Assessment and Evaluation (MAE) projects to quantify CRP environmental benefits to water quality and quantity, wildlife, and rural economies.

Applications for projects were welcome from all organizations, including public, private, nonprofit institutions, and educational institutions including historically Black colleges and universities, Tribal colleges and universities and Hispanic-serving institutions or organizations.

For more details on the all the awarded MAE projects, visit the <u>FSA Monitoring Assessment & Evaluation</u> webpage.

About the Conservation Reserve Program

CRP is one of the world's largest voluntary conservation programs, with an established track record of preserving topsoil, sequestering carbon, reducing nitrogen runoff and providing healthy habitat for wildlife.

In exchange for a yearly rental payment, agricultural producers enrolled in the program agree to remove environmentally sensitive land from production and plant species that will improve environmental health and quality. In general, land is enrolled in CRP for 10 to 15 years, with the option of re-enrollment. <u>FSA offers multiple CRP signups</u>, including the general signup and continuous signup, as well as Grassland CRP and

pilot programs focused on soil health and clean water. In 2021, producers and landowners enrolled more than 5.3 million acres in CRP signups, surpassing USDA's 4-million-acre goal.

Earlier this year, <u>USDA announced updates to CRP</u> including higher payment rates, new incentives for environmental practices, and a more targeted focus on the program's role in climate change mitigation. This included a new Climate-Smart Practice Incentive for CRP general and continuous signups that aims to increase carbon sequestration and reduce greenhouse gas emissions. Climate-Smart CRP practices include establishment of trees and permanent grasses, development of wildlife habitat, and wetland restoration. Download the <u>"What's New" fact sheet</u> to learn more about CRP updates.

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

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

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

Producers should not delay contacting their federal crop insurance agent or local county FSA Office to inquire about coverage options, as **failure to obtain the applicable coverage by the sales/application closing date will result in the required refund of WHIP+ benefits received on the applicable crop, plus interest.** You can determine if crops are eligible for federal crop insurance or NAP by <u>visiting the RMA website</u>.

For more information, contact your local USDA Service Center visit fsa.usda.gov/nc.

Selected Interest Rates for December 2021

90- Day Treasury Bill	0.125%
Farm Operating Loans - Direct	2.00%
Farm Ownership Loans - Direct	3.00%
Farm Ownership Loans - Direct Down Payment,	1.50%
Beginning Farmer or Rancher	1.50 /0
Emergency Loans	3.00%
Farm Storage Facility Loans (7 Years)	1.500%
Commodity Loans 1996 - Present	0.125%

Dates to Remember

Christmas Day Holiday (Offices Closed)

New year's Day Holiday (Offices Closed)

December 24

December 31

USDA-Farm Service Agency North Carolina State Office

4407 Bland Road Suite 175 Raleigh, NC 27609

Phone: 919-875-4800 Fax: 844-325-6874

Bob Etheridge State Executive Director

Bob.Etheridge@usda.gov 919-875-4802

Tracie Jones
Administrative Officer

<u>Tracie.Jones@usda.gov</u> 919-875-4848

Paula Nicholls Chief Farm Loan Programs

Paula.nicholls@usda.gov 919-875-4854

Alicia Best Interim State Public Affairs/Outreach Specialist

Alicia.Best@usda.gov 919-875-4803 **STATE COMMITTEE**

T. Pender Sharp

DIVISION CHIEFS

Rob Satterfield Chief Farm Programs

Rob.Satterfield@usda.gov 919-875-4824

James Davis Chief Price Support Programs

Jamesa.Davis@usda.gov 919-875-4818