

South Carolina FSA Newsletter for Farmers and Ranchers - October 2023

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### A Note from State Executive Director Laurie Funderburk



#### **Greetings, South Carolina Producers!**

There is a lot to enjoy about South Carolina agriculture in October, such as the South Carolina State Fair and harvesting pumpkins and apples! Notably, we celebrated National Farmers Day on October 12, and I am grateful for the vital contributions our farmers make each day to support and sustain our state and nation.

The month of October also brings important updates from the U.S. Department of Agriculture (USDA). FSA received two Secretarial Natural Disaster Designations to extend emergency credit to producers in four (4) counties in South Carolina. These counties include Aiken, Allendale, Barnwell and Hampton counties. These emergency loans can be used to

meet various recovery needs, including the replacement of essential items, such as equipment or livestock, reorganization of a farming operation, or the refinancing of certain debts. Please visit your county's local FSA office to learn more about FSA programs that may assist you.

USDA has extended the deadline for the Discrimination Financial Assistance Program until January 13, 2024. Interested producers can learn more and apply at 22007apply.gov.

USDA has been diligently working to address issues of great importance to producers, such farm labor, cost of inputs, and supply chain issues. Here are a few updates on this work.

In coordination with other federal agencies, USDA announced up to \$65 million in grants available for the <u>Farm Labor Stabilization and Protection Pilot Program (FLSP Program)</u>. This program will help address workforce needs in agriculture, and promote a safe and healthy work environment for farmworkers.

USDA also <u>announced</u> \$52.6 million in awards under the <u>Fertilizer Production Expansion</u> <u>Program, which will fund 17 new projects</u> to boost domestic fertilizer manufacturing, support innovative fertilizer technologies, and help lower costs for farmers. This is the <u>second round</u> of awards from the \$900 million program, with more awards expected in the coming months.

In addition to the programs mentioned above, the South Carolina Department of Agriculture (SCDA) is working in partnership with the USDA-Agricultural Marketing Service (AMS) to administer the Resilient Food Systems Infrastructure Program (RFSI) program, which will support expanded capacity for the aggregation, processing, manufacturing, storing, transporting, wholesaling, and distribution of locally and regionally produced food products. The SCDA will host a webinar about the Resilient Food Systems Infrastructure (RFSI) Grant Program on November 8, from 12-1pm. Please RSVP to rfsi@scda.sc.gov.

While it's not a new program, I would also like to encourage producers to visit their <u>local Rural Development office</u> to learn more about the <u>Value-Added Grants Program</u>. This program helps agricultural producers enter value-added activities to generate new products, create and expand marketing opportunities, and increase producer income.

Again, thank you for all you do for South Carolina agriculture.

Laurie Slade Funderburk State Executive Director

### USDA Extends Milk Loss Program Assistance Deadline to Oct. 30



The U.S Department of Agriculture (USDA) is extending the application deadline for the Milk Loss Program (MLP) to Monday, Oct. 30, 2023, allowing more time for eligible dairy farmers to apply for much-needed, weather-related disaster recovery assistance.

Administered by USDA's Farm Service Agency (FSA), MLP compensates dairy producers who, because of qualifying weather events, dumped or removed milk without compensation from the commercial milk market in calendar years 2020, 2021 and 2022. Eligible causes of loss also include consequences of these weather events, such as power outages, impassable roads and infrastructure losses. FSA opened MLP enrollment on Sept. 11, 2023; the original MLP deadline was Oct. 16, 2023.

#### **How to Apply**

To apply for MLP, producers must submit:

- FSA-376, Milk Loss Program Application
- Milk marketing statement from the:
  - Month prior to the month milk was removed or dumped.
  - Affected month.
- Detailed written statement of milk removal circumstances, including the weather event type and geographic scope, what transportation limitations occurred and any information on what was done with the removed milk.
- Any other information required by the regulation.

If not previously filed with FSA, applicants must also submit all the following items within 60 days of the MLP application deadline:

- Form AD-2047, Customer Data Worksheet.
- Form CCC-902, Farm Operating Plan for an individual or legal entity.
- Form CCC-901, Member Information for Legal Entities (if applicable).
- Form FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs (if applicable).
- Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, (if applicable).
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification) for the MLP producer and applicable affiliates.

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

For more information on eligibility and payments, view the MLP fact sheet.

# USDA Launches Farm Labor Stabilization and Protection Pilot Program to Support Agricultural Employers and Farmworkers

The Biden-Harris Administration today announced that agricultural employers can begin to apply for a pilot program designed to improve the resiliency of the food and agricultural supply chain by addressing workforce challenges farmers and ranchers face. The U.S. Department of Agriculture (USDA), in coordination with other federal agencies, is announcing up to \$65 million in grants available for the <a href="Farm Labor Stabilization and Protection Pilot Program">Farm Labor Stabilization and Protection Pilot Program</a> (FLSP Program).

The program will help address workforce needs in agriculture, promote a safe and healthy work environment for farmworkers, and aims to support expansion of lawful migration pathways for workers, including for workers from Northern Central America, through the Department of Labor's seasonal H-2A visa program. The program makes good on a commitment made and announced as part of the Los Angeles Declaration on Migration and Protection and is funded by President Biden's American Rescue Plan.

The FLSP Program seeks to advance the following Administration priorities:

- Address current workforce needs in agriculture: Based on stakeholder input,
  USDA identified that agricultural employers have experienced increased challenges
  finding an adequate supply of workers, which threatens our domestic capacity to
  produce a safe and robust food supply. This pilot program will help address these
  challenges by expanding the potential pool of workers, and enhancing employers'
  competitiveness by improving the quality of the jobs they offer.
- Reduce irregular migration, including from Northern Central America through the expansion of regular pathways: While U.S. agricultural operations seek additional workers, the Biden-Harris Administration has committed to promote the expansion of regular migration pathways, as part of the Los Angeles Declaration on Migration and Protection. The FLSP offers an opportunity to support this commitment, with economic benefits for foreign workers and their families, and professional and economic development opportunities for communities that send their workers to participate in the H-2A program.
- Improve working conditions for farmworkers: A stable and resilient food and agricultural sector relies on attracting and retaining skilled agricultural workers, and strong working conditions are critical to achieve that goal. Through this pilot program, USDA will support efforts to improve working conditions for agricultural workers, both U.S. and H-2A workers. The pilot will help ensure that workers know their rights and the resources available for them and will promote fair and transparent recruitment practices.

#### **Additional Information**

Eligibility for this competitive grant program is limited to domestic agricultural employers who 1) anticipate meeting all Department of Labor (DOL) and Department of Homeland Security (DHS) regulatory requirements for the H-2A program, including demonstrated effort to effectively recruit U.S.-based workers and hire all willing, able, and qualified U.S. workers; and 2) commit to, and indicate capacity to fulfill all Baseline Requirements, as well as any selected (supplemental) commitments that entail additive worker benefits and protections. Eligible employers include fixed-site employers, joint-employers, agricultural associations, and H-2A labor contractors.

The maximum award amount is \$2,000,000 and the minimum amount is \$25,000 per grant agreement (including any sub-awardees). Award amounts will be determined based on the projected number of full-time equivalent (FTE) agricultural employees, desired award level, as well as the competitive nature of the application. Consistent with the H-2A requirements, applicants must demonstrate insufficient availability of a U.S.-based workforce. The grant window for each recipient is 24 months, allowing producers to use the grant over the course of two agricultural production seasons.

Applications for the FLSP program must be received on or <u>before 11:59 pm Eastern Time on November 28, 2023</u>. More information about the application process can be found here: <u>www.ams.usda.gov/flsp</u>.

This announcement is part of the Biden-Harris Administration's Investing in America agenda to grow the American economy from the middle out and bottom up by rebuilding our nation's infrastructure, creating good-paying jobs, and building a clean energy economy to tackle the climate crisis and make our communities more resilient.

### **USDA Designates 29 Georgia Counties as Primary Natural Disaster Areas**

Four Contiguous Counties in South Carolina Eligible for Assistance

These Secretarial natural disaster designations allow the United States Department of Agriculture (USDA) Farm Service Agency (FSA) to extend much-needed emergency credit to producers recovering from natural disasters through <a href="mailto:emergency loans">emergency loans</a>. Emergency loans can be used to meet various recovery needs including the replacement of essential items such as equipment or livestock, reorganization of a farming operation, or to refinance certain debts. FSA will review the loans based on the extent of losses, security available, and repayment ability.

Impacted Area: Georgia

<u>Triggering Disaster 1:</u> Hurricane Idalia <u>Application Deadline</u>: 05/09/2024

<u>Primary Counties Eligible:</u> Appling, Atkinson, Bacon, Berrien, Brantley, Brooks, Bulloch, Camden, Candler, Charlton, Clinch, Coffee, Colquitt, Echols, Emanuel, Jeff Davis, Jenkins, Lanier, Pierce, Screven, Tattnall, Thomas, Tift, Ware and Wayne

#### **Contiguous Counties Also Eligible:**

Florida: Baker, Columbia, Hamilton, Jefferson, Leon, Madison, and Nassau

**Georgia:** Ben Hill, Bryan, Burke, Cook, Effingham, Evans, Glynn, Grady, Irwin, Jefferson, Johnson, Laurens, Liberty, Long, Lowndes, McIntosh, Mitchell, Montgomery, Telfair, Toombs,

Treutlen, Turner, Wheeler and Worth **South Carolina:** Allendale and Hampton

Triggering Disaster 2: Hurricane Idalia

Application Deadline: 06/03/2024

**Primary Counties Eligible:** Burke, Montgomery, Toombs and Treutlen

#### **Contiguous Counties Also Eligible:**

Georgia: Appling, Candler, Emanuel, Jeff Davis, Jefferson, Jenkins, Johnson, Laurens,

Richmond, Screven, Tattnall and Wheeler **South Carolina**: Aiken, Allendale and Barnwell

#### **More Resources**

On farmers.gov, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster Assistance-at-a-Glance fact sheet</u>, and <u>Loan Assistance Tool</u> can help you determine program or loan options. To file a Notice of Loss or to ask questions about available programs, contact your local <u>USDA</u> Service Center.

### **Cost Share for Organic Certification**

As part of USDA's broader effort to support organic producers and in response to stakeholder feedback, this year the Farm Service Agency increased the cost share amount under the <u>Organic Certification Cost Share Program</u> (OCCSP), which helps organic producers cover organic certification costs, to the maximum amount allowed by statute. Specifically, FSA will cover up to 75% of costs associated with organic certification, up to \$750 for crops, wild crops, livestock, processing/handling and state organic program fees (California only). OCCSP will cover costs incurred from Oct. 1, 2022, through Sept. 30, 2023.

FSA begins accepting applications for OCCSP Monday, May 15. Applications are due Oct. 31, 2023. To apply, producers and handlers should contact the FSA at their local <u>USDA Service</u> <u>Center</u>. As part of completing the OCCSP application, producers and handlers will need to provide documentation of their organic certification and eligible expenses. Organic producers and handlers may also apply for OCCSP through participating state departments of agriculture.

FSA is also accepting applications from state departments of agriculture to administer OCCSP. FSA will post a synopsis of the funding opportunity on grants.gov and will send more information to all eligible state departments of agriculture. Additional details can be found on the OCCSP webpage. More information about these initiatives and more can be found at farmers.gov/organic-transition-initiative.

# FSA Encourages Farmers and Ranchers to Vote in County Committee Elections

The 2023 Farm Service Agency County Committee Elections will begin on Nov. 6, 2023, when ballots are mailed to eligible voters. The deadline to return ballots to local FSA offices, or to be postmarked, is Dec. 4, 2023.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive, indemnity and disaster programs for some commodities; emergency

programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must:

- Be of legal voting age or, if not of legal voting age, supervise and conduct the farming operation of an entire farm.
- Have an interest in a farm or ranch as either:
  - An individual who meets one or more of the following:
    - Is eligible and capable to vote in one's own right.
    - Is a partner of a general partnership.
    - Is a member of a joint venture.
  - Participates or cooperates in any FSA program that is provided by law. A
    cooperating producer is someone who has provided information to FSA about
    their farming or ranching operation(s) but may not have applied or received
    program benefits.

Eligible voters who do not receive a ballot can obtain one from their local FSA county office. Customers can identify which LAA they or their farming operation is in by using our new GIS locator tool available at fsa.usda.gov/elections.

Newly elected committee members will take office Jan. 1, 2024.

More information on county committees can be found at fsa.usda.gov/elections.

### **Applying for NAP Payments**

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to you for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

In order to participate, you must obtain NAP coverage for the crop year by the applicable deadline using form CCC-471 "Application for Coverage" and pay the service fee. Application closing dates vary by crop. Producers are also required to submit an acceptable crop acreage report. Additionally, NAP participants must provide:

- The quantity of all harvested production of the crop in which the producer held an interest during the crop year.
- The disposition of the harvested crop, such as whether it is marketable, unmarketable, salvaged or used differently than intended.
- Acceptable crop production records (when requested by FSA).

Producers who fail to report acreage and production information for NAP-covered crops could see reduced or zero NAP assistance. These reports are used to calculate the approved yield.

If your NAP-covered crops are affected by a natural disaster, notify your FSA office by completing Part B of form CCC-576 "Notice of Loss and Application for Payment." This must be completed within 15 calendar days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date. For hand-harvested crops and certain perishable crops, you must notify FSA within 72 hours of when a loss becomes apparent.

To receive benefits, you must also complete Parts D, E, F and G of the CCC-576 "Notice of Loss and Application for Payment" within 60 days of the last day of coverage for the crop year for any NAP covered crops. The CCC-576 requires acceptable appraisal information. Producers must provide evidence of production and note whether the crop was marketable, unmarketable, salvaged or used differently than intended.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your <u>local USDA Service Center</u> or visit fsa.usda.gov/nap.

# USDA Announces October 2023 Lending Rates for Agricultural Producers

USDA announced loan interest rates for October 2023, which are effective Oct. 2, 2023. USDA's Farm Service Agency (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 underserved producers, including, 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 October 2023 are as follows:

- Farm Operating Loans(Direct): 5.250%
- Farm Ownership Loans(Direct): 5.250%

- Farm Ownership Loans(Direct, Joint Financing): 3.250%
- Farm Ownership Loans(Down Payment): 1.500%
- <u>Emergency Loan</u>(Amount of Actual Loss): 3.750%

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

To access an interactive online, step-by-step guide through the farm loan process, visit the <u>Loan Assistance Tool</u> on farmers.gov.

#### **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): 6.375%
- Farm Storage Facility Loans:

o Three-year loan terms: 4.625%

Five-year loan terms: 4.375%

Seven-year loan terms: 4.375%

Ten-year loan terms: 4.125%

Twelve-year loan terms: 4.125%

Sugar Storage Facility Loans(15 years): 4.250%

#### **Simplified Direct Loan Application**

FSA developed a new, simplified direct loan application for producers seeking a direct farm loan. The new application, reduced from 29 to 13 pages, provides improved customer experience for producers applying for loans and enables them to complete a more streamlined application. Producers now also have the option to complete an electronic fillable form or a traditional paper application for submission to their local FSA service center.

# USDA Microloans Help Farmers Purchase Farmland and Improve Property

Farmers can use USDA farm ownership microloans to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013.

Microloans can also help with farmland and building purchases and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program, please visit <u>fsa.usda.gov/microloans</u>.

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