

South Carolina FSA Newsletter for Farmers and Ranchers - February 2023

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A Note from State Executive Director Laurie Funderburk



Greetings, South Carolina Producers!

I'm sure many of you are busy preparing your farming operations for the planting season. As Spring approaches, adverse weather such as frost and freezing can be a serious threat. Please visit your local FSA office to learn more about the Noninsured Crop Disaster Assistance Program (NAP), which is a risk management tool for producers of noninsurable crops to protect against natural disasters that result in lower yields or crop losses, or prevented crop planting. The final application closing date for NAP coverage on a number of spring-seeded crops is February 28th.

The month of February also brings important updates from the United States Department of Agriculture (USDA). USDA is making available up to \$7.5 million for grants through its Office of Urban Agriculture and Innovative Production (OUAIP). The competitive grants will support the development of urban agriculture and innovative production projects through two

categories: Planning Projects and Implementation Projects. A pre-recorded webinar on <u>Urban Agriculture and Innovative Production Grants | USDA</u> provides an overview of the grants' purpose, project types, eligibility and basic requirements for submitting an application. **Application deadline is March 27, 2023**, on Grants.gov.

USDA encourages urban producers, innovative producers, and other stakeholders to virtually attend the second public meeting of the Federal Advisory Committee for Urban Agriculture and Innovative Production on <u>Feb. 23 from 3:30-6pm ET</u>. This Committee will discuss recommendations it intends to submit to Agriculture Secretary Tom Vilsack to remove barriers to urban and innovative producers and increase access of urban and innovative producers to USDA programs and services. <u>Register to attend.</u>

USDA is also conducting a nationwide <u>Farmer</u>, <u>Rancher and Forest Manager Prospective Customer Survey</u>. All farmers, ranchers and forest managers are encouraged to take this anonymous ten-minute survey, which asks about your general views and interactions with U.S. Department of Agriculture (USDA) agencies delivered by farm programs: Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA). **Survey deadline is March 31, 2023.**

Lastly, Agriculture Secretary Tom Vilsack announced that agricultural producers and private landowners can begin applying for the Conservation Reserve Program (CRP) General signup starting **February 27 through April 7, 2023.** CRP is a cornerstone voluntary conservation program offered by the U.S. Department of Agriculture (USDA) and a key tool to address climate change and help agricultural communities invest in the long-term well-being of their land and natural resources

Thank you for all you do for South Carolina agriculture!

Laurie Slade Funderburk State Executive Director

USDA Announces General Conservation Reserve Program Signups for 2023



Agriculture Secretary Tom Vilsack announced that agricultural producers and private landowners can begin applying for the Conservation Reserve Program (CRP) General signup starting **February 27 through April 7, 2023.** CRP is a cornerstone voluntary conservation program offered by the U.S. Department of Agriculture (USDA) and a key tool in the Biden-Harris administration's effort to address climate change and help agricultural communities invest in the long-term well-being of

their land and natural resources.

Producers and landowners enrolled more than 5 million acres into CRP through signups in 2022, building on the acceptance of more than 3.1 million acres in the <u>largest Grassland CRP signup in history</u>. There are currently 23 million acres enrolled in CRP, with 1.9 million set to expire this year. USDA's Farm Service Agency (FSA) is aiming to reach the 27-million-acre cap statutorily set for fiscal year 2023.

General CRP

General CRP helps producers and landowners establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality and enhance wildlife habitat on cropland. Additionally, General CRP includes a Climate-Smart Practice Incentive to help increase carbon sequestration and reduce greenhouse gas emissions by helping producers and landowners establish trees and permanent grasses, enhance wildlife habitat, and restore wetlands.

Continuous CRP

Under Continuous CRP, producers and landowners can enroll in CRP throughout the year. Offers are automatically accepted provided the producer and land meet the eligibility requirements and the enrollment levels do not exceed the statutory cap. The Climate-Smart Practice Incentive is also available in the Continuous signup.

FSA offers several additional enrollment opportunities within Continuous CRP, including the Clean Lakes Estuaries and Rivers Initiative (CLEAR30), the State Acres for Wildlife Enhancement (SAFE) Initiative, the Farmable Wetlands Program (FWP), and the Conservation Reserve Enhancement Program (CREP). The CLEAR30 Initiative, which was originally piloted in twelve states in the Great Lakes and Chesapeake Bay watershed, has been expanded nationwide, allowing producers and landowners to enroll in 30-year CRP contracts for water quality practices. Under this administration, FSA also moved SAFE practices back to the Continuous CRP signup, giving producers and landowners more opportunities to participate in the initiative. Through the FWP, producers and landowners can enroll land in CRP as part of their efforts to restore previously farmed wetlands and wetland buffers, to improve both vegetation and water flow.

This administration has also made significant improvements to CREP, which leverages federal and non-federal funds to target specific State, regional or nationally significant conservation concerns. Specifically, USDA made significant improvements to CREP to reduce barriers and make the program more accessible to a broad range of producers and new types of partners.

These updates included flexibility for partners to provide matching funds in the form of cash, in-kind contributions, or technical assistance, along with an investment in additional staff to work directly with partners. Through CREP, for the first time ever, three Tribal Nations are now partnering with USDA to help conserve, maintain, and improve grassland productivity, reduce soil erosion, and enhance wildlife habitat.

Grassland CRP

FSA will announce the dates for Grassland CRP signup in the coming weeks. Grassland CRP is a working lands program, helping landowners and operators protect grassland, including rangeland and pastureland and certain other lands, while maintaining the areas as working grazing lands.

Protecting grasslands contributes positively to the economy of many regions, provides biodiversity of plant and animal populations, and provides important carbon sequestration benefits to deliver lasting climate outcomes.

How to Sign Up

Landowners and producers interested in CRP should contact their local <u>USDA Service Center</u> to learn more or to apply for the program before their deadlines.

Producers with expiring CRP acres can use the Transition Incentives Program (TIP), which incentivizes producers who sell or enter a long-term lease with a beginning, veteran, or socially disadvantaged farmer or rancher who plans to sustainably farm or ranch the land.

More Information

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits.

Urban Producers, Public Invited to Attend February Meeting of Federal Advisory Committee for Urban Agriculture and Innovative Production



USDA encourages urban producers, innovative producers, and other stakeholders to virtually attend the second public meeting of the Federal Advisory Committee for Urban Agriculture and Innovative Production on <u>Feb. 23 from 3:30-6pm ET.</u> This Committee will discuss recommendations it intends to submit to Agriculture Secretary Tom Vilsack to remove barriers to urban and innovative producers and increase access of urban and innovative producers to USDA programs and services. Learn

more, submit a comment, or register to attend.

USDA Announces Grants for Urban Agriculture and Innovative Production



USDA is making available up to \$7.5 million for grants through its Office of Urban Agriculture and Innovative Production (OUAIP). The competitive grants will support the development of urban agriculture and innovative production projects through two categories, Planning Projects and Implementation Projects. Learn more.

USDA Releases Nationwide Farmer, Rancher and Forest Manager Prospective Customer Survey

You can now take a nationwide survey to help the USDA improve and increase access to its programs and services for America's farmers, ranchers, and forest managers. The survey includes new and existing customers. USDA encourages all agricultural producers to take the survey, especially those who have not worked with USDA previously. The survey gathers feedback on programs and services available through USDA's Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA).

The survey is available online at farmers.gov/survey, and you should complete it by March 31, 2023. Stakeholder organizations are also encouraged to share the survey link through their networks. The survey is available in 14 different languages including Arabic, Chinese, English, French, Hmong, Korean, Navajo, Punjabi, Somali, Spanish, Tagalog, Thai, Urdu and Vietnamese.

In addition to the online survey, the FPAC Business Center, which is administering the survey, will also mail 11,000 printed surveys to various local state stakeholder organizations and farmers markets.

Rolling Out Revenue Based Disaster and Pandemic Assistance Programs

Beginning January 23, 2023, agricultural producers can begin to apply for two new important programs for revenue losses, from 2020 and 2021 natural disasters or the COVID-19 pandemic. Both programs equitably fill gaps in earlier assistance.

First, you may be eligible for assistance through the <u>Emergency Relief Program (ERP)</u> Phase Two if you experienced revenue losses from eligible natural disasters in 2020 and 2021. ERP Phase Two is for producers who didn't receive assistance from ERP Phase One.

You may also be eligible for the <u>Pandemic Assistance Revenue Program (PARP)</u> if you experienced revenue losses in calendar year 2020. PARP is addressing gaps in previous pandemic assistance, which was targeted at price loss or lack of market access, rather than overall revenue losses.

Applications for both new programs are due June 2, 2023, and you can apply for both programs during your same appointment with USDA's Farm Service Agency (FSA).

Historically, FSA programs have been designed to make direct payments to producers based on a single disaster event or for a single commodity loss. For many of you, this may be the first revenue-based program that you've applied for with FSA.

Why revenue-based programs?

ERP Phase Two and PARP take a much more holistic approach to disaster assistance, ensuring that producers not just make it through a single growing season but have the financial stability to invest in the long-term well-being of their operations and employees.

In general, ERP Phase Two payments are based on the difference in allowable gross revenue between a benchmark year, representing a typical year of revenue for the producer and the disaster year – designed to target the remaining needs of producers impacted by qualifying natural disasters and avoid duplicative payments. ERP Phase Two revenue loss is based on tax years.

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 decrease in revenue for the 2020 calendar year, as compared to a typical year. PARP revenue loss is based on calendar years.

How to Apply

In preparation for enrollment, producers should gather 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.
- 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.

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.

Yes, FSA is stepping outside of the box.

FSA is a big proponent of agricultural producers having a say in the design, implementation and delivery of the programs that directly impact their livelihoods. We also believe that some of the most creative and useful ideas for program and process improvements come from the FSA employees who administer this assistance through our network of more than 2,100 county offices. We want to thank producers across the country, along with the entire FSA workforce, for not just thinking outside of the box but also providing their input to make sure that we can improve and enhance our programs and our approach to assistance to better and more efficiently serve all producers who need our help.

Please visit your local USDA Service Center for more information on ERP Phase Two, PARP and our full portfolio of conservation, prices support, safety-net, credit and disaster assistance programs.

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 Coverage</u> (<u>ARC</u>) and <u>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 Oct. 17, 2022,

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 web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- <u>Gardner-farmdoc Payment Calculator</u>, 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 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).

Submit Loan Requests for Financing Early

The South Carolina FSA Farm Loan team is already working on operating loans for spring 2023 and asks potential borrowers to submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

1890 National Scholars Program & New Electronic Application Available Now Thru March 15th

The 1890 National Scholars Program is a partnership program between the U.S. Department of Agriculture and 1890 Land-Grant Universities which provides full tuition, employment, employee benefits, fees, books, and room and board each year for up to 4 years to selected students.

Review the applicant guidebook for detailed instructions on how to create an account and apply - <u>USDA 1890 National Scholars Application Applicant Guide</u> (PDF, 992 KB)

To view the **new** 2023 E-application, please open the following link - <u>2023 E-application for</u> the 1890 National Scholars Program

For any questions regarding the USDA/1890 National Scholars Program, please contact:

Office of Partnerships and Public Engagement Telephone Number: (202) 720-6350

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