

South Carolina FSA Newsletter for Farmers and Ranchers - March 2023

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A Note from State Executive Director Laurie Funderburk



Greetings, South Carolina Producers!

The month of March honors <u>National Ag Day</u> on March 21, 2023, and kicks off National Ag Week on March 21-27, 2023. As we honor National Ag Day, I would like to thank all South Carolina producers and farmers for the irreplaceable value you have contributed to our state's economy through production agriculture, as well as to the sustainability of our Nation's food supply.

The month of March also brings important updates and opportunities from the United States Department of Agriculture (USDA) and partner agencies. The South Carolina Department of Agriculture (SCDA)

announced an exciting new market opportunity for socially disadvantaged producers. The **Local Food Purchase Assistance Program (LFPA)** is a cooperative agreement between the USDA's Agricultural Marketing Service (AMS) and the South Carolina Department of Agriculture (SCDA). Through this agreement, SCDA was awarded a \$4.7 million to purchase

food from local, socially disadvantaged producers to distribute to underserved populations within our communities, helping to build and expand economic opportunity for socially disadvantaged producers in South Carolina. For more information about LFPA, including a link to a producer application, please visit: <u>Local Food Purchase Assistance Program - South Carolina Department of Agriculture (sc.gov)</u>.

Clemson University and SC State University are hosting a series of meetings for producers of peanuts, leafy greens, and forages for beef cattle who would like to know more about participating in the Climate-Smart Grown in SC project funded through a \$70 million Climate-Smart Partnership grant from USDA. This project is being organized to increase the acreage and number of farmers using Climate-Smart (conservation) practices on their farms. Upcoming meeting dates are <u>March 16th, March 23rd and March 30th</u>. For more information on meeting times, locations and to register, please visit: <u>Climate-Smart Project Farmer Interest Meetings</u>.

South Carolina Commissioner's School for Agriculture (SCCSA) is now accepting applications for their summer program on July 22nd- 28th, 2023. SCCSA provides a challenging and enriching experience to highly motivated rising 11th and 12th grade high school students who are seeking academic career exploration within agricultural, natural resources, and life science fields. **Applications are due by April 12, 2023.**

Get Connected SC, an initiative of the Office of Regulatory Staff under the Department of Administration, is working to bring reliable, high-speed internet to every South Carolinian. Get Connected SC needs to hear from citizens in unserved/underserved areas of the state. Please visit GetConnectedSC.org to take the Better Internet survey.

Lastly, USDA plans to provide up to \$250 million in assistance to rice farmers, as well as inform farmers of the steps they can take to be prepared for sign-up when the program is released later this spring. Additional information for rice producers is below. As a reminder, USDA is also conducting a nationwide Farmer, Rancher and Forest Manager Prospective Customer Survey. All farmers, ranchers and forest managers are encouraged to take this anonymous ten-minute survey. Survey deadline is March 31, 2023.

Again, thank you for all you do for agriculture in South Carolina, and for the Nation!

Laurie Slade Funderburk State Executive Director

It's tax season! Let farmers.gov help.



Filing taxes can be challenging, especially if you are new to USDA programs or running a farm business, or if you are trying to forecast your farm's tax bill.

To support farmers and ranchers, USDA is partnering with tax experts from across the country to connect producers to information and resources related to taxes and USDA program payments, including those from the Inflation Reduction Act for

distressed borrowers. RSVP for webinars or use the new tax estimator tool. Learn more.

Subscribe to Receive Email and Text Alerts on USDA Urban Ag Opportunities in South Carolina



Did you know you can subscribe to receive free email and text message updates from USDA related to urban agriculture and innovative production here in South Carolina?

Whether you're scrolling through emails on your break or checking a text message between tasks, USDA wants to keep you posted on the latest news in urban agriculture and innovative production. Subscribe now to receive emails and text

messages about important program information, eligibility requirements and deadlines from the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), and Risk Management Agency (RMA) related to urban agriculture, specifically in South Carolina.

You can sign up for email alerts by visiting <u>farmers.gov/subscribe</u> (select "SC – Urban Agriculture and Innovative Production") or text alerts by texting SCUrbanAG to 372-669. Urban agriculture is one of the many topics available to producers. If you subscribe online, you can also sign up for information on other topics, including disaster assistance, conservation programs, crop insurance and farm loans. Participants may unsubscribe at any time.

USDA Encourages Rice Farmers to Prepare for new Rice Production Program



The U.S. Department of Agriculture (USDA) today previewed plans to provide up to \$250 million in assistance to rice farmers and what steps they can take to be prepared to sign up when the program is released later this spring. USDA is sharing information early so producers can prepare for program signup, which will include a pre-filled application in an effort to simplify and streamline the application process.

On Dec. 29, 2022, President Biden signed into law H.R. 2617, the Consolidated Appropriations Act, 2023, which provided the authority and funding for USDA to make payments to rice producers based on data already on file with the USDA, including planted acres and acres prevented from being planted.

What Farmers Can Do Now

The full details of the program and application will not be available until after a Notice of Funding Availability is published later this year in the Federal Register. But there is something farmers can do right now to be better prepared for the signup, if they qualify for a higher payment limitation.

The payment limitation for the program is set by law and is higher if the farmer's average adjusted gross farm income (income from activities related to farming, ranching, or forestry) is more than 75% of their average adjusted gross income (AGI). Specifically, a person or legal entity with adjusted gross farm income of less than 75% of their overall AGI, cannot receive, directly or indirectly, more than \$125,000 in payments. AGI is based on the three taxable

years preceding the most immediately preceding complete tax year. Farmers with 75% or more AGI from farming qualify for a \$250,000 payment limit.

Rice farmers may visit their local county office to submit the appropriate form and certification (FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs), if they qualify for and want to seek the higher payment limit and get part of the paperwork done early. Farmers will still have a chance to fill out the AGI form during signup as well. The form should be filled out for the 2022 crop year.

Planned Application Process

After the official notice is published later this year, USDA's Farm Service Agency (FSA) plans to mail prefilled applications to producers using information on file with USDA's Risk Management Agency (RMA) or FSA, as reported by rice producers through their crop insurance agents or FSA county office. This streamlined application process will reduce the burden on producers and minimize errors due to manual data entries on the application form. More information will be provided when FSA announces the signup period in the coming weeks.

Program Payments

As directed by the omnibus legislation, FSA will calculate Rice Production Program (RPP) payments by multiplying the payment rate, individual average actual production history (APH), as reported to RMA, or county yield and an amount of certified rice acres determined by the number of planted acres and acres that were prevented from being planted. FSA plans to issue an initial payment to eligible farmers soon after applications are returned and a final payment after the sign-up has closed. Details on these procedures and the initial payment rate will be in the future notice.

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.

USDA Announces Signup for Pandemic Assistance Revenue Program

The Pandemic Assistance Revenue Program (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.

USDA's Farm Service Agency will accept PARP applications from January 23, 2023, through June 2, 2023.

Eligible and Ineligible Commodities

For PARP, eligible agricultural commodities include crops, aquaculture, livestock, livestock byproducts, or other animals or animal byproducts that are produced as part of a farming operation and are intended to be commercially marketed. This includes only commodities produced in the United States or those produced outside the United States by a producer located in the United States and marketed inside the United States.

The following commodities are not eligible for PARP:

- Wild free-roaming animals.
- Horses and other animals used or intended to be used for racing or wagering.
- Aquatic species that do not meet the definition of aquaculture.
- Cannabis sativa L. and any part of that plant that does not meet the definition of hemp.
- Timber.

Program Eligibility

PARP payments will be made on a whole-farm basis, not commodity-by-commodity. 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 must have experienced a 15 percent decrease in allowable gross revenue in 2020, as compared to either:

- The 2018 or 2019 **calendar year**, as elected by the producer, if they received allowable gross revenue during the 2018 or 2019 **calendar years**, or
- The producer's expected 2020 calendar year allowable gross revenue, if the producer had no allowable gross revenue in 2018 or 2019.

PARP payments will be issued after the application period ends on June 2, 2023.

For more information on determining allowable gross revenue visit farmers.gov/coronavirus/pandemic-assistance/parp or review the PARP fact sheet.

More Information

To apply for PARP, contact your <u>local USDA Service Center</u>.

Is the Noninsured Crop Disaster Assistance Program Right for You?

Farmers and ranchers rely on crop insurance to protect themselves from disasters and unforeseen events, but not all crops are insurable through the USDA's Risk Management Agency. The Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides producers another option to obtain coverage against disaster for these crops. NAP provides financial assistance to producers of non-insurable crops impacted by natural disasters that result in lower yields, crop losses, or prevents crop planting.

Commercially produced crops and agricultural commodities for which crop insurance is not available are generally eligible for NAP. Eligible crops include those grown specifically for food, fiber, livestock consumption, biofuel or biobased products, or value loss crops such as aquaculture, Christmas trees, ornamental nursery, and others. Contact your local FSA office to see which crops are eligible in your state and county.

Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind or hurricanes, earthquake and flood. These events must occur during the NAP policy coverage period, before or during harvest, and the disaster must directly affect the eligible crop. For guidance on causes of loss not listed, contact your local FSA county office.

Interested producers apply for NAP coverage using FSA form CCC-471, "Application for Coverage," and pay the applicable service fee at the FSA office where their farm records are maintained. These must be filed by the application closing date, which varies by crop. Contact your local FSA office to verify application closing dates and ensure coverage for eligible NAP crops.

At the time of application, each producer acknowledges they have received the <u>NAP Basic Provisions</u>, which describes NAP requirements for coverage. NAP participants must report crop acreage shortly after planting and provide verifiable or reliable crop production records when required by FSA.

Producers are required to pay service fees which vary depending on the number of crops and number of counties your operation is located in. The NAP service fee is the lesser of \$325 per

crop or \$825 per producer per administrative county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Premiums also apply when producers elect higher levels of coverage with a maximum premium of \$15,750 per person or legal entity.

A producer's certification on Form CCC-860 *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification* may serve as an application for basic NAP coverage for all eligible crops beginning with crop year 2022. These producers will have all NAP-related service fees for basic coverage waived, in addition to a 50 percent premium reduction if higher levels of coverage are elected.

For more detailed information on NAP, download the <u>NAP Fact Sheet</u>. To get started with NAP, we recommend you contact your local USDA service center.

Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

ELAP provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible losses include:

- Livestock grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.
- **Honeybee** loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.
- Farm-Raised Fish death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

If you've suffered eligible livestock, honeybee, or farm-raised fish losses during calendar year 2023, you must file:

- A notice of loss within 30 calendar days after the loss is apparent (15 days for honeybee losses)
- An application for payment by Jan. 30, 2024

Progression Lending from FSA

Farm Service Agency (FSA) farm loans are considered progression lending. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help

you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, please visit <u>fsa.usda.gov</u>.

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 farmers.gov/fund 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.

For more information, please visit farmers.gov.

South Carolina Farm Service Agency

1927 Thurmond Mall Suite 100 Columbia, SC 29201

Phone: 803.806-3820 Website: www.fsa.usda.gov/sc

State Executive Director

Laurie Funderburk laurie.funderburk@usda.gov

Administrative Officer

Kenn Jameson <u>kenn.jameson@usda.gov</u>

Farm Programs Chief

Linda Williams linda.c.williams@usda.gov

Farm Loan Programs Chief

William Shelley william.shelley@usda.gov

State Committee:

Anthony Grant, Committee Chair

Lawrence Weathers

Mary Frances Koon

J.E.B. Wilson

Warren Dixon