

U.S. DEPARTMENT OF AGRICULTURE

South Dakota USDA Newsletter - January 2024

Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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Message from the FSA State Director

Greetings from the South Dakota State FSA Office!

I hope that everyone had a great Holiday Season! In addition to a time for family and friends, the holiday season is an opportunity to reflect on the previous year. Once we got past the first few months of the year with record snowfall, the year was not a whole lot different than any other year in South Dakota; some areas too much moisture others not enough; areas with less than expect yields with other areas having a "I can't believe we got the yields we did." We saw record calf prices this fall; however, we also saw record hay prices last year.

All in all, a normal year of challenges that were hit head on by our South Dakota farm and ranch families. When needed the Farm Service Agency provides assistance with programs like the <u>FSA Disaster Programs</u> and the <u>FSA Conservation Programs</u>. In addition, FSA assisted farmers and ranchers with <u>Emergency Relief programs</u>.

Not only is FSA here to support producers when natural and economic disasters hit our farm and ranch families, we also are here to help you with your lending needs. FSA is known as the lender of first and many opportunities and one of those opportunities is the <u>FSA Youth Loan program</u>. South Dakota has had thousands of young farmers and ranchers utilize the various FSA loan programs. One of the many success stories of our FSA loans was recently featured in the *Tri-State Neighbor* publication highlighting <u>Kyle Heylens</u>, Volga, who started with an FSA Youth Loan to purchase 5 cows and is now running 150 cows, along with a successful repair business.

Lastly, I want to give a special thanks to Carleen Mack, the Farm Loan Manager in the Codington County FSA Office. Carleen just celebrated her 40th year of service to farm and ranch families in northeast South Dakota!

As we head into the middle of winter, please be safe; and if a weather disaster strikes, please let your local FSA office know the impact it has had on you and your livestock.

Sincerely,

Steve Dick State Executive Director USDA-Farm Service Agency

Message from the NRCS State Conservationist

As we welcome in the new year, I want to take this time to additionally welcome new customers and beginning farmers and ranchers to Natural Resources Conservation Service (NRCS) assistance. Our recent program application sign-up ended with the largest number of beginning farmer and rancher applications in years. Our NRCS specialists are working with these customers using typical conservation activities but also with new and innovative activities within the NRCS toolbox. Composting facilities, annual forages for grazing, energy efficient improvements for farm buildings, infrastructure needed for grazing crop fields, mulching, and roof gutters are a few of the new and innovative options available for addressing conservation needs. The Inflation Reduction Act is providing significantly more conservation funding increasing the ability to obtain financial assistance for these and many other activities. If you are not currently working with NRCS staff on your program application, then I encourage you to visit your local NRCS office to discuss options that benefit you and conservation.

Some upcoming events great for discussing your options include the <u>January 23rd SD Soil Health Conference</u> and the <u>January 31st USDA multi-agency event during the Black Hills Stock Show</u>. This is an open house type of event but with designated time for specific topics such as Beginning Farmer/Rancher assistance, USDA programs on Tribal Trust land, and Woody Species encroachment on Grasslands. See the article below titled "A Day with USDA at the Black Hills Stock Show" for more details.

Thank you to all South Dakota farmers, ranchers, land managers, landowners, and conservation partners who are moving the needle of conservation in our state.

Sincerely,

Tony Sunseri State Conservationist USDA-Natural Resources Conservation Service

Important Dates & Deadlines

January 30, 2024 - Deadline to submit a notice of loss and application for ELAP-eligible losses in 2023

January 30, 2024 - Deadline to submit an application for Livestock Forage Program

January 31, 2024 - Deadline to apply for assistance from the Food Safety Certification for Specialty Crops Program

January 31, 2024 - A Day with USDA at Black Hills Stock Show

February 19, 2024 - All UDSA Offices closed in observance of Washington's Birthday

February 29, 2024 - Deadline for LIP payment application and notice of loss for 2023 program year

A Day with USDA at the Black Hills Stock Show

Four United States Department of Agriculture (USDA) agencies are gathering at the <u>Black Hills Stock Show</u> in Rapid City, South Dakota, to discuss USDA services and programs. The Natural Resources Conservation Service (NRCS), Farm Service Agency (FSA), Risk Management Agency (RMA), and Rural Development (RD) will be at the show on **January 31**, **2024**, from 10:00AM to 6:30PM MST.

This event is designed as an open house where attendees can ask questions to USDA topic experts about a wide variety of subjects. The event is divided by topic, starting with USDA Resources for Beginning Farmer/Rancher and Specialty Growers at 10:00AM, USDA Youth and Beginning Farmer/Rancher Loans at 11:00AM, Production Risk Tools from USDA at 12:00PM, Utilizing USDA programs on Tribal Trust land at 1:00PM, Woody Encroachment of the Great Plain's Grasslands at 2:00PM, What Inflation Reduction Act funding brings to Financial Assistance programs in the Great Plains: Natural Resources Conservation Service at 3:00PM, Rural Energy for America Program & Value-Added Producer Grant: Rural Development at 3:30PM, and then a repeat of the first three topics from 4:00PM to 6:30PM.

The event will be held in Room 206 of <u>The Monument in Rapid City.</u> If you are unable to attend at a specific topic time, agency experts will be around all day for questions. For more information, please visit the <u>events page</u> on the South Dakota NRCS website. For any other requests including special accommodations, please contact Gail Gullickson at <u>gail.gullickson@usda.gov</u> or Darrel DuVall at <u>darrel.duvall@usda.gov</u>.

Farmers Can Now Enroll for the Agriculture Risk Coverage and Price Loss Coverage Programs for the 2024 Crop Year

The U.S. Department of Agriculture (USDA) announced that agricultural producers can now enroll in the Farm Service Agency's (FSA) <u>Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)</u> programs for the 2024 crop year. Producers can enroll and make election changes for the 2024 crop year starting Dec. 18, 2023. The deadline to complete enrollment and any election change is March 15, 2024.

On Nov. 16, 2023, President Biden signed into law H.R. 6363, the *Further Continuing Appropriations and Other Extensions Act, 2024* (Pub. L. 118-22), which extended the *Agriculture Improvement Act of 2018* (Pub. L. 115-334), more commonly known as the 2018 Farm Bill, through September 30, 2024. This extension allows authorized programs, including ARC and PLC, to continue operating.

2024 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 2024 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm it will continue for 2024 unless an election change is made.

If producers do not submit their election revision by the March 15, 2024, deadline, their election remains the same as their 2023 election for commodities on the farm. Farm owners cannot enroll in either program unless they have a share interest in the cropland.

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 grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

2022 Crop Year Payments

This fall, FSA issued payments totaling more than \$267 million to agricultural producers who enrolled in the 2022 ARC-CO option and the ARC ARC-IC option for covered commodities that triggered a payment. Payments through the PLC option did not trigger for the 2022 crop year.

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. These payments help mitigate fluctuations in either revenue or prices for certain crops. Payments for crops that may trigger for the 2023 crop year will be issued in the fall of 2024.

Crop Insurance Considerations

ARC and PLC are part of a broader USDA safety net that 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 can purchase 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.

Web-Based Decision Tools

Many universities offer web-based decision tools to help producers make informed, educated decisions using crop data specific to their respective farming operations. Producers are encouraged to use the tool of their choice to support their ARC and PLC elections.

More Information

For more information on ARC and PLC, producers can visit the <u>ARC and PLC webpage</u> or contact their local <u>USDA Service Center</u>. Producers can also make elections and complete enrollment online with level 2 eAuth.

USDA Reminds Specialty Crop Growers of Deadline to Apply for Assistance for 2023 On-Farm Food Safety Expenses

The U.S. Department of Agriculture (USDA) reminds specialty crop growers that assistance is available for producers who incur eligible on-farm food safety program expenses to obtain or renew a food safety certification through the Food Safety Certification for Specialty Crops (FSCSC) program. Producers can apply for assistance on their calendar year 2023 expenses through Jan. 31, 2024.

Program Details

FSCSC assists specialty crop operations that incurred eligible on-farm food safety certification and related expenses pertaining to obtaining or renewing a food safety certification in calendar year 2023. FSCSC covers a percentage of the specialty crop operation's cost of obtaining or renewing its certification, as well as a portion of 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 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 2023 closes Jan. 31, 2024. FSA will issue payments after the application period closes. 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.

Specialty crop producers can also call 877-508-8364 to speak directly with a USDA employee ready to assist. Visit <u>farmers.gov/food-safety</u> for additional program details, eligibility information and forms needed to apply.

South Dakota Producers Encouraged to Apply for USDA's Continuous Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is now accepting applications for the Continuous Conservation Reserve Program (Continuous CRP). USDA's Farm Service Agency (FSA) encourages agricultural producers and landowners in South Dakota who are interested in conservation opportunities for their land in exchange for yearly rental payments to consider the enrollment options available through Continuous CRP, which also includes the Conservation Reserve Enhancement Program (CREP) offered by FSA partners. Additionally, producers participating in CRP can now apply to re-enroll, if their contracts will expire this year.

To submit an offer, producers should contact the FSA at their local <u>USDA Service Center</u> by July 31, 2024, in order to have an offer effective by Oct. 1, 2024. To ensure enrollment acreages do not exceed the statutory cap, FSA will accept offers from producers on a first-come, first-served basis and will return offers for approval in batches throughout the year.

Additionally, producers with acres enrolled in Continuous CRP set to expire Sept. 30, 2024, can now offer acres for re-enrollment. A producer can both enroll new acres into Continuous CRP and re-enroll any acres expiring Sept. 30, 2024.

FSA water quality practices, such as riparian buffers, prairie strips, grassed waterways, and wetlands, will receive an additional 20% incentive. Buffer practices have a positive impact on water quality. Additionally, the Climate-Smart Practice Incentive launched in 2021 is also available in the Continuous signup.

Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits.

The following are FSA signature guidelines:

- A married woman must sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- For a minor, FSA requires the minor's signature and one from the minor's parent

Note, by signing a document with a minor, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, etc.

When signing on one's behalf the signature must agree with the name typed or printed on the form or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc.

FAXED signatures will be accepted for certain forms and other documents provided the acceptable program forms are approved for FAXED signatures. Producers are responsible for the successful transmission and receipt of FAXED information.

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office.

Spouses cannot sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Likewise, a spouse cannot sign a document on behalf of the other in order to affirm the eligibility of oneself.

Any member of a general partnership can sign on behalf of the general partnership and bind all members unless the Articles of Partnership are more restrictive. Spouses may sign on behalf of each other's individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office. Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts must consist of an indicator "by" or "for" the individual's name, individual's name and capacity, or individual's name, capacity, and name of entity.

For additional clarification on proper signatures contact your local FSA office.

Applying for FSA Direct Loans Report Banking Changes to FSA

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.

Maintaining Good Credit History

Farm Service Agency (FSA) loans require applicants to have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, see if bills are paid timely and to determine the impact on cash flow.

Information on your credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score:

- Make sure to pay bills on time
 - Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt
- · Keep your credit card balances low
- Avoid suddenly opening or closing existing credit accounts

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, contact your local County USDA Service Center or visit fsa.usda.gov.

USDA Launches Workshops on Livestock Risk Management Products

The "Livestock Roadshow" Features In-person and Virtual Events

The U.S. Department of Agriculture (USDA) is hosting more than a dozen in-person and virtual workshops this winter for producers to learn about new and expanded livestock risk management products. The "Livestock Roadshow," hosted by USDA's Risk Management Agency (RMA), will highlight policy improvements based on feedback from America's livestock producers as part of the agency's broader outreach and education efforts.

Improvements to livestock insurance options have led to tremendous growth. For example, Livestock Risk Protection grew by 250% in two years, with about 27 million head of cattle insured in 2023. Meanwhile, Livestock Gross Margin grew by 600% in two years, with about 14.5 million head of cattle insured in 2023.

To ensure livestock producers across the country can attend a livestock roadshow event, two virtual livestock roadshows are scheduled for January. To learn more about the virtual roadshows, and to see the full listing of upcoming in-person roadshow events, visit the <u>Livestock Roadshow webpage</u>.

Producers attending the Livestock Roadshow events can expect to learn more about:

- Annual Forage
- Dairy Revenue Protection
- Livestock Gross Margin
- Livestock Risk Protection
- Pasture, Rangeland, and Forage
- Weaned Calf Risk Protection

The Livestock Roadshow builds on other recent outreach and education efforts. Earlier this year, RMA held a roadshow highlighting insurance options for specialty crop, organic, and urban producers, drawing more than 3,000 attendees. Additionally, since 2021, RMA has invested around \$13 million in partnerships to advance risk management education. Learn more on the <u>Outreach and Education webpage</u>.

More Information

Livestock producers can learn more by visiting the <u>Livestock Roadshow</u> webpage or by contacting a <u>RMA Regional Office</u>. Additionally, all producers can <u>subscribe for email</u> messages from RMA.

Farmers.gov - Your Online Hub for Conducting Business with USDA

Farmers.gov gives you one place to do business with USDA's Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS), including accessing your farm records, maps, and common land units. You can create a farmers.gov account for the farmers.gov authenticated site, where you can access self-service features through a secure login.

In addition to the self-service features farmers.gov website also has information on USDA programs, farm loans, disaster assistance, conservation programs and crop insurance.

What can you do with your farmers.gov account?

- Submit a paperless Direct Loan application that provides helpful features including an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet, and build a farm operating plan.
- View NRCS Disbursements and Farm Loans financial activity from the past 180 days.
- View, print and export detailed farm records and farm/tract maps.
- Export common land unit (field) boundaries as ESRI and GeoJSON file types.
- Import precision agriculture planting boundaries, create labels containing crop information, and print both on farm tract maps.
- Use the draw tools to determine acres in an area of interest that can be printed on a map and provided to a third party or exported as a feature file for use in other geospatial applications.
- View, upload, download and e-sign NRCS documents.
- Request conservation and financial assistance, including submitting a program application.
- Access information on current and past conservation practices, report practice completion and request practice certification
- View detailed information on previous and ongoing contracts, including the amount of cost- share assistance received and request contract modifications.

How to create a farmers.gov account?

To create a farmers.gov account you will need:

- A USDA individual customer record A customer record contains information you
 have given to USDA to do business with them, like your name, address, phone
 number, and any legal representative authority relationships.
- A login.gov account Login.gov is a sign-in service that gives people secure online access to participating government programs.



200 4th Street SW Huron, SD 57350

Farm Service Agency

State Executive Director:

Steve Dick

Administrative Officer:

Theresa Hoadley

Program Managers:

Owen Fagerhaug - Conservation Logan Kopfmann - Disaster Relief Donita Garry - Program Delivery

Ryan Vanden Berge - Farm Loan Program

State Committee:

Troy Knecht, Chair Fanny Brewer Peggy Greenway Larry Olsen Hank Wonnenberg

Phone: 605-352-1160

Natural Resources Conservation Service

State Conservationist:

Tony Sunseri

Assistant State Conservationists:

Ryan Forbes - Acting - Ecological Sciences

James Reedy - Engineering

Nathan Jones - Soils

Jessica Michalski - Acting - *Programs*

Colette Kessler - Partnerships

Deke Hobbick - Compliance
Denise Gauer - Management & Strategy

Michael Beck - Public Affairs

Phone: 605-352-1200

Farm Service Agency Natural Resources Conservation Service Risk Management Agency Service Center Locator











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