

April Tennessee FSA Updates- April 28, 2023

#### In This Issue:

- <u>USDA Kicks-Off Effort to Expand Market Opportunities for Climate-Smart</u>
  Commodities and Learn from Pilot Projects
- <u>USDA Simplifies Application Process for Noninsured Crops for Underserved Producers; Improves Risk Management Accessibility</u>
- Myth-Busting FSA's New Revenue-Based Disaster and Pandemic Assistance Programs
- <u>USDA Announces Grassland Conservation Reserve Program Signups for</u> 2023
- Share Your #Plant2023 Season

## USDA Kicks-Off Effort to Expand Market Opportunities for Climate-Smart Commodities and Learn from Pilot Projects

The U.S. Department of Agriculture (USDA) today announced the official kick-off of the implementation phase for projects funded through the \$3.1 billion Partnerships for Climate-Smart Commodities effort. Project partners are beginning work on formal implementation of the climate-smart production practices, marketing, and quantification, monitoring, reporting



and verification of greenhouse gas benefits that are funded through the effort as agreements are finalized on a rolling basis. As projects get underway, today USDA is launching the Partnerships for Climate-Smart Commodities Learning Network (Partnerships Network), a collaboration of all the project partners, which will generate key lessons-learned as projects are implemented. <a href="Learn More"><u>Learn More</u></a>

# USDA Simplifies Application Process for Noninsured Crops for Underserved Producers; Improves Risk Management Accessibility



A message from FSA Administrator Zach Ducheneaux

Earlier this year, we made several updates to disaster assistance programs to give more farmers, ranchers, and Tribes equitable access to recovery programs administered by

the Farm Service Agency (FSA).

Specifically, I'd like to point out changes made to the Noninsured Crop Disaster Assistance Program (NAP) and how we've simplified the application process for underserved producers.

This important policy change opens the door to risk management options for producers who may not have previously known about or been able to obtain coverage to protect their crops.

NAP provides financial assistance to producers of noninsurable crops when natural disaster events cause low yields, loss of inventory, or prevented planting.

Our policy improvements mean that, beginning with the 2022 crop year, having a CCC-860 form, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, on file with FSA will provide producers with basic NAP coverage for all eligible crops. Specifically, FSA is waiving all NAP-related service fees for basic coverage for producers with a CCC-860 on file prior to the application closing date for each crop. These producers are also eligible to receive a 50% premium reduction if they elect higher levels of coverage before the application closing date for each crop.

At the end of January, we notified producers who already have the CCC-860 certification form on file regarding their eligibility for NAP basic coverage for 2022. If you suffered losses from natural disasters in 2022, you will need to contact your local FSA county office to file an acreage report, as well as a notice of loss, and an application for a NAP payment.

If you are interested in NAP coverage for 2023 and future years, your local FSA county office staff will be more than happy to provide information on eligibility, coverage options, and how to apply for additional coverage.

While these recent policy changes are intended to remove barriers to available benefits and help underserved producers manage risk, any producer of noninsurable crops can apply for NAP coverage by completing FSA form <a href="CCC-471">CCC-471</a>, Application for Coverage, and paying a service fee. Your local FSA office can verify application closing dates and ensure coverage for your crops is available.

My staff and I are committed to revisiting FSA program policies and finding ways, within our authorities, to remove obstacles that prevent participation. Expanding NAP to ensure all producers of noninsured crops have access to risk coverage is the result of proactive input from producers and the willingness of FSA employees to think outside of the box for the benefit of the producers we serve.

Please contact your local <u>USDA Service Center</u> for more information on NAP coverage options.

# Myth-Busting FSA's New Revenue-Based Disaster and Pandemic Assistance Programs

#### A Message from FSA Administrator Zach Ducheneaux

In January, we announced two new programs designed to assist producers who experienced revenue losses from 2020 and 2021 natural disasters or the COVID-19 pandemic. These programs are revenue-based and feel a little different from our regular programs, but the goal is to better support farmers.

Both the <u>Emergency Relief Program (ERP)</u> Phase Two and the <u>Pandemic Assistance</u> Revenue <u>Program (PARP)</u> offer a holistic approach to disaster assistance and provide economic support for producers who bear the financial brunt of circumstances beyond their control.

With the rollout of any new program, there is a learning curve for producers and employees alike. ERP Phase Two and PARP are no exception. To encourage producer participation in these valuable programs, I'm going to do my best to debunk some myths and misconceptions surrounding ERP Phase Two and PARP.

With a June 2, 2023, deadline to apply for both programs, it's important that we clear up confusion about how to apply, what documents are required for participation, insurance requirements and related misinformation making its way across the countryside.

#### Now, let's do some myth-busting.

# Myth #1 – You need to submit a completed tax return to FSA to apply for ERP Phase Two or PARP.

While these programs are based on revenue losses, you do not need a tax return, completed or otherwise, to apply for assistance. In fact, we have an <a href="ERP Phase 2 tool"><u>ERP Phase 2 tool</u></a> and <a href="PARP"><u>PARP</u></a> tool that walk you through the process step by step.

We understand that you may have questions for your certified public accountant or tax preparer, who was likely been hard to reach prior to the April 18 Internal Revenue Service tax deadline but we encourage you to download the program decision tools and get started. You'll probably discover that you already have on hand much of the information you need.

The following supporting materials will help you:

- 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.

The only reason you *might* have to provide your tax returns to FSA is in the event of a spot check or a request from the FSA County Committee.

Producers can <u>register for a free webinar</u> hosted by USDA and members of the National Farm Income Tax Extension Committee on Monday, May 1 at 2 p.m. eastern for a discussion on completing the ERP Phase Two application form.

Myth #2 – You cannot receive an ERP Phase Two payment if you received a payment under Phase One.

It's possible that you can still receive ERP Phase Two benefits if you received an ERP Phase One payment. There is also a possibility that your Phase Two payment may be offset.

Myth #3 – ERP Phase Two was intended to be an additional payment to those who received payment under Phase One.

ERP Phase Two was never designed or intended to be an additional payment. Instead, it was intended to assist those producers who did not receive relief in Phase One.

Click here to read the full blog and view a producer testimonial on the application process.

# **USDA Announces Grassland Conservation Reserve Program Signups for 2023**



The U.S. Department of Agriculture (USDA) announced that agricultural producers and private landowners can begin applying for the Grassland Conservation Reserve Program (CRP) signup starting **April 17 through May 26, 2023**. Among CRP enrollment opportunities, Grassland CRP is unique as a *working lands program*, allowing producers and landowners to continue grazing and having practices while protecting

grasslands and promoting plant and animal biodiversity and conservation.

Protecting grasslands with CRP not only benefits participants with annual rental payments and cost share assistance; it also contributes positively to the economy of many regions, builds biodiversity, and provides important carbon sequestration benefits to deliver lasting climate outcomes.

More than 2.4 million acres were enrolled through the 2022 Grassland CRP Signup from agricultural producers and private landowners. That signup – the highest ever for the program– reflects the continued success and value of investments in voluntary, producer-led, working lands conservation programs. The current total participation in Grassland CRP is 6.3 million acres, which is part of the 23 million acres enrolled in CRP opportunities overall.

Since 2021, the USDA's Farm Service Agency (FSA), which administers all CRP programs, has made several improvements to Grassland CRP to broaden the program's reach, including:

- Creating two <u>National Priority Zones</u> to put focus on environmentally sensitive land such as that prone to wind erosion.
- Enhanced offers with 10 additional ranking points to producers and landowners who are historically underserved, including beginning farmers and military veterans.
- Leverage the <u>Conservation Reserve Enhancement Program</u> (CREP) to engage historically underserved communities Tribal Nations in the Great Plains

#### **Other CRP Signups**

#### **General CRP**

General CRP signup closed on April 7. The program 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 <u>Continuous CRP</u>, 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 State Acres for Wildlife Enhancement (SAFE) Initiative, the Farmable Wetlands Program (FWP), and the Conservation Reserve Enhancement Program (CREP). Also available is the Clean Lakes Estuaries and Rivers Initiative CLEAR30 Initiative, which was originally piloted in twelve states but has been expanded nationwide, allowing producers and landowners to enroll in 30-year CRP contracts for water quality practices.

#### **How to Sign Up**

Landowners and producers interested in Grassland CRP, or any other CRP enrollment option, 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 touches the lives of all Americans each day in so many positive ways. Under the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <a href="mailto:usda.gov">usda.gov</a>.



### **Share Your #Plant2023 Season**

It's that time of year again, and we want to showcase your planting season on social media and blogs. To participate, just send us a photo and a bit of information.

Learn more: https://www.farmers.gov/blog/share-your-plant-2023-stories

### **Tennessee State Office**

579 U.S. Courthouse 801 Broadway Nashville, Tennessee 37203

> Phone: 615-277-2600 Fax: 855-494-7764

#### **State Executive Director**

John Litz john.litz@usda.gov

#### **State Committee**

Rodger Tanner, Chairperson Ken Givens Reginald Marshall, Sr. Amelia Tavalin David Hall

**Contact Your Local Service Center** 

#### Tennessee Service Center Locator

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).