

October Tennessee FSA Updates- October 31, 2023

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# USDA to Provide More Than \$3 Billion to Commodity and Specialty Crop Producers Impacted by 2022 Natural Disasters

The U. S Department of Agriculture (USDA) will provide more than \$3 billion to commodity and specialty crop producers impacted by natural disaster events in 2022. Eligible impacted producers can apply for financial assistance through the <a href="Emergency Relief Program">Emergency Relief Program</a> (ERP) 2022. The program will help offset the financial impacts of crop yield and value losses from qualifying disasters occurring in 2022.



### **Background**

On Dec. 29, 2022, President Biden signed into law the *Disaster Relief Supplemental Appropriations Act, 2023 (P.L. 117-328)* that provides about \$3.7 billion in financial assistance for agricultural producers impacted by eligible natural disasters that occurred in calendar year 2022.

ERP 2022 covers losses to crops, trees, bushes and vines due to qualifying, calendar year 2022 natural disaster events including wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought and related conditions.

ERP 2022 program benefits will be delivered to eligible producers through a two-track process. FSA intends to make both tracks available to producers at the same time. This two-track approach enables USDA to:

- Streamline the application process.
- Reduce the paperwork burden on producers.
- Proactively include provisions for underserved producers who have not been well served by past emergency relief efforts.
- Encourage producer participation in existing risk management programs to mitigate the impacts of future severe weather events.

It's important to note that disaster-impacted producers may be eligible for ERP 2022 assistance under one or both tracks. To avoid duplicative benefits, if a producer applies for both tracks, the Track 2 payment calculation will take into account any payments received through Track 1.

### **ERP 2022 Application Process – Track 1**

ERP 2022 Track 1 leverages existing federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) data as the basis for calculating payments for eligible crop producers who received indemnities through these risk management programs. Although FSA is sending pre-filled ERP 2022 Track 1 application forms to producers who have crop insurance and NAP data already on file with USDA, producers indemnified for losses resulting from 2022 natural disasters do not have to wait to receive the application before requesting ERP 2022 assistance. Effective Oct. 31, 2023, producers can apply for ERP 2022 benefits whether they have received the pre-filled application or not. Receipt of a pre-filled application is not confirmation that a producer is eligible to receive an ERP 2022 Track 1 payment.

USDA estimates that ERP Track 1 benefits will reach more than 206,000 producers who received indemnities for losses covered by federal crop insurance and more than 4,500 producers who obtained NAP coverage for the 2022 crop year.

### **ERP 2022 Application Process – Track 2**

Track 2 is a revenue-based certification program designed to assist eligible producers who suffered an eligible decrease in revenue resulting from 2022 calendar year disaster events when compared with revenue in a benchmark year using revenue information that is readily available from most tax records. In cases where revenue does not reasonably reflect a normal year's revenue, Track 2 provides an alternative method for establishing revenue. Likewise, Track 2 affords producers of crops that are used within an operation and do not generate revenue from the sale of the crop a method for establishing revenue for the purpose of applying for ERP 2022 benefits. Producers are not required to submit tax records to FSA unless requested by the County Committee if required for an FSA compliance spot check.

Although not required when applying for ERP 2022 Track 2, applicants might find the following documents useful to the process:

- Schedule F (Form 1040)
- Profit or Loss from Farming or similar tax documents for tax years 2018, 2019, 2022 and 2023.

Track 2 targets gaps in emergency relief assistance for eligible producers whose eligible losses were not covered by crop insurance or NAP including revenue losses too small (shallow loss) to be covered by crop insurance.

Producers interested in applying for ERP 2022 Track 2, should contact their local FSA county office. Additional reference resources can be found on FSA's emergency relief website.

### **Additional Required Forms**

For both ERP 2022 tracks, all producers must have certain required forms on file with FSA within 60 days of the ERP 2022 deadline. Producers can apply for ERP 2022 starting Oct. 31, 2023. The application deadline has not yet been determined and will be announced at a later date. If not already on file, producers can update, complete and submit required forms to FSA at any time.

### Required forms:

- 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, for the 2022 program year.
- 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 ERP producer and applicable affiliates.

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 the status of their forms can contact their local FSA county office.

### **Future Insurance Coverage Requirements**

All producers who receive ERP 2022 payments must purchase crop insurance, or NAP coverage where crop insurance is not available, in the next two available crop years as determined by the Secretary. Purchased coverage must be at the 60/100 coverage level or higher for insured crops or at the catastrophic coverage level or higher for NAP crops.

### **More Information**

ERP 2022 eligibility details and payment calculation factor tables are available on the <u>emergency relief website</u>, in the <u>ERP Track 1</u> and <u>ERP Track 2</u> fact sheets and through your local <u>FSA county office</u>.

### Farmers.gov Local Dashboard Now Available for Producers in Tennessee

Farmers in Tennessee can now access county specific farming data and USDA resources all in one place via the new farmers.gov local dashboard. Your new farmers.gov local dashboard includes farming data and USDA resources including USDA news, commodity pricing, weather forecasts,



historical climate data, past storm events, USDA service center locator and additional state resources for Tennessee and your county The dashboard transforms complex data sets into easy-to-read charts and graphs to help you quickly find information that matters to you. Learn more <a href="here">here</a>.

# USDA's Conservation Reserve Program Pays More than \$1 Billion to America's Producers in Support of Conservation and Climate-Smart Agriculture



The U.S. Department of Agriculture (USDA) has issued more than \$1.77 billion this year to agricultural producers and landowners through its Conservation Reserve Program (CRP), a critical piece of the Department's efforts to support climatesmart agriculture and forestry on working lands. This year, CRP's more than 667,000 participants received payments from USDA's Farm Service Agency (FSA) for their voluntary conservation efforts on more than 23 million acres of private

land. Since 2021, CRP has grown by 21% in terms of acres enrolled, testament to the Biden-Harris administration's program improvement efforts.

Top five states for CRP participant payments:

- lowa, \$402,508,900
- Illinois, \$172,723,800
- Minnesota, \$150,773,400
- South Dakota, \$129,545,200
- Missouri, \$99,849,600

### Improvements to CRP

Since 2021, FSA has made improvements to the program:

- Introducing a new climate-smart practice incentive for CRP general and continuous signups designed to reward participants who implement conservation practices that increase carbon sequestration and reduce greenhouse gas emissions.
- Enabling additional soil rental rate adjustments or rate flexibilities, including a
  possible increase in rates where appropriate.

- Increasing payments for practice incentives from 20% to 50%. This incentive, in addition to cost share payments, for continuous CRP practices is based on establishment cost.
- Increasing payments for water quality practices rates from 10% to 20% for certain water quality benefiting practices available through the CRP continuous signup, such as grassed waterways, riparian buffers and filter strips.
- Establishing a Grassland CRP minimum rental rate benefitting more than 1,000 counties with rates currently below the \$13 minimum.

Additionally, FSA made significant improvements to the Conservation Reserve Enhancement Program (CREP) that reduce barriers by making the partnership program more accessible to a broader cross-section of agricultural producers and new conservation partners. These program improvements include the flexibility for partners to provide matching funds in the form of cash, in-kind contributions, or technical assistance and the ability for FSA to invest in additional, full-time staff devoted to working directly with our CREP partners and program specialists in FSA's state offices.

Since 2021, FSA has also entered into the first-ever Tribal Nations CREP agreements in partnership with the Cheyenne River, Rosebud, and Oglala Sioux Tribes. And in 2022, USDA entered into the Big Sioux River Watershed CREP agreement with the South Dakota Department of Game, Fish & Parks to assist farmers, ranchers and agricultural landowners to improve water quality, reduce soil erosion, enhance wildlife habitat, and create public hunting and fishing access. These CREP agreements reflect priorities and goals of USDA to broaden the scope and reach of its voluntary, incentive-based conservation programs to engage underserved producers.

FSA's conservation programs had a strong showing in 2023. FSA partnered with producers and landowners to enroll 3.9 million CRP this year –including 927,000 enrolled acres through General CRP, 2.3 million acres enrolled in Grassland CRP and 694,000 acres enrolled in Continuous CRP. These results underscore the continued importance of CRP as a tool to help producers invest in the long-term health, sustainability, and profitability of their land and natural resources.

#### **More Information**

CRP is a voluntary program contract with agricultural producers through which environmentally sensitive agricultural land is devoted to conservation benefits. CRP participants establish long-term, resource-conserving plant species, such as approved grasses or trees to control soil erosion, improve water quality and develop wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

To learn more about CRP and other FSA programs, producers can contact their local <u>USDA</u> Service Center.

## Share Your Harvesting Experience for Farmers.gov's #Harvest2023 campaign



As America's farmers harvest the crops that feed, clothe, and fuel our world, let's fill the Farmers.gov social media feed with their stories about this year's harvest season. We'd also like to see how it's going for farmers that participated in our #Plant2023 campaign in the spring.

To share your experience on @FarmersGov social media, follow these steps:

- Collect photos of what's happening on your operation as you harvest.
- If you're comfortable, we'd love to see the people that make it happen, like friends and family.
- Write an email to FP.Social@usda.gov, attach your photos/video, and tell us:
  - o Your name, the location of your operation, and the name of your operation
  - o Your operation's Facebook, Instagram, and/or Twitter pages, if you have them.
  - o What are you harvesting this year?
  - o Where does your harvest go? How is it used?
  - What are your personal thoughts on this year's harvest season?

Please note that by submitting your photo/video, you are granting USDA permission to use these materials for outreach and education purposes.

Remember to follow @FarmersGov on <u>Facebook</u>, <u>X</u> (formerly known as Twitter), and <u>Instagram</u>, and we look forward to sharing your story!

### **Tennessee State Office**

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

### **State Executive Director**

John Litz

### **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).