

U.S. DEPARTMENT OF AGRICULTURE

USDA News - Lone Star State Edition - August 30, 2023

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

- From the FSA State Executive Director
- From the NRCS State Conservationist
- <u>USDA Offers Drought Impacted Texas Farmers and Ranchers Immediate</u>
 Disaster Assistance
- Making Your Land More Resilient to Drought
- <u>USDA Updates Livestock Disaster Payment Rate to Assist Producers Hard-</u> Hit by Heat and Humidity
- <u>Financial Assistance Application Process Opens for USDA Farm Loan</u>
 Borrowers Who Have Faced Discrimination
- <u>USDA Encourages You to Consider NAP Risk Protection Coverage Before</u> Crop Sales Deadlines
- <u>USDA Expands Risk Management Options with Greater Enterprise Unit Possibilities</u>
- Applying for Beginning Farmer Loans
- Maintaining Good Credit History
- <u>USDA Announces New Steps to Enhance Organic Markets and Support Producers</u>
- Discrimination Financial Assistance Program Local Events
- Upcoming Events

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From the FSA State Executive Director

This summer season so far has broken record across the state and county. College Station broke its longest streak of triple-digit temperatures this past weekend at 50 days, but we are forecast to be back in the triple digits for the near future. These record-breaking temperatures and streaks across the state this year have taken a toll on farmers and ranchers across the state. When coupled with the widespread lack of rainfall, we are facing another exceptional drought across the state.

As a reminder, FSA continues to administer the <u>Livestock</u> <u>Forage Disaster Program</u> (LFP), providing assistance to livestock producers that suffered eligible 2023 grazing losses. <u>More than 200 Texas counties</u> are eligible for assistance through the program; a listing is available on the <u>FSA Texas</u> webpage.

You may also be eligible for assistance through the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish

<u>Program</u> (ELAP). ELAP provides financial assistance for the transportation of water to livestock, the above normal cost of mileage for transporting feed to livestock, and the above normal cost of transporting livestock to forage/grazing acres. You should contact FSA as soon as the loss of water or feed resources are known.

You can contact your local FSA office for additional information on applying for LFP, ELAP and gather additional information on other programs that offer <u>drought assistance</u>.

Sincerely,

Kelly Adkins State Executive Director Farm Service Agency - Texas

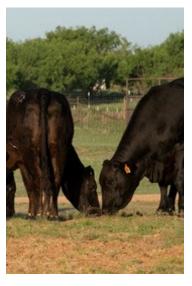
From the NRCS State Conservationist



Summer in Texas means HEAT and this year has proven to be no exception. A large portion of our state has been in drought conditions for some time and is now also covered by a heat dome bringing triple-digit temperatures. Unfortunately, it seems that these conditions will remain that way for the foreseeable future. Fortunately, the Natural Resources Conservation Service (NRCS) can assist with drought mitigation planning, as well as the effects on your operation.

NRCS can help you conserve water and build

resilience to drought using conservation practices that improve irrigation efficiency, boost soil health, and manage grazing lands.



NRCS is ready to help recover from drought this year and prepare for the future. More information on drought recovery assistance can be found at <u>Drought Recovery and Risk Management Resources | Farmers.gov.</u>

Another type of assistance offered through NRCS is the Plant Materials Program. NRCS's Plant Materials Centers (PMCs) are the plant experts for NRCS. Staff at these centers develop vegetative solutions for resource concerns such as soil stabilization, soil health and productivity, and water quality. In addition, the Plant Materials Program focuses on national priorities such as enhancement of pollinator habitats and other critical wildlife habitats. Recently, personnel from the East Texas PMC worked closely with the City of Nacogdoches to transform the city's entrance into a showcase of native plant diversity. To read more about this effort visit the NRCS Texas Website. More information can be found at Plant Materials | Natural Resources Conservation Service (usda.gov).

Earlier this month, I had a meeting with Western Dairy Association representatives and members of the Milk Producers Council. This was a multi-state meeting to discuss current conservation activities supporting dairy operations. Texas ranks in the top four states nationally in dairy production, with approximately 1.7 billion gallons of milk produced annually. NRCS Texas has a long history of working with the state's dairy operators. An example of our conservation work with a dairy can be found at United Ag Dairy near Plainview.

As we head into September, I want to encourage producers, including those engaged in urban agriculture, to contact their local NRCS office to work on a conservation plan to help you achieve your conservation goals. Find your local office at: https://offices.usda.gov/.

Sincerely,

Kristy Oates State Conservationist Natural Resources Conservation Service - Texas

USDA Offers Drought Impacted Texas Farmers and Ranchers Immediate Disaster Assistance

USDA's Farm Service Agency (FSA) offers disaster assistance and low-interest loan programs to assist you in your recovery efforts following drought. Available programs and loans include:

- Non-Insured Crop Disaster Assistance Program (NAP) provides financial
 assistance to producers of non-insurable crops when low yields, loss of inventory, or
 prevented planting occur due to natural disasters including qualifying drought
 (includes native grass for grazing).
- Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffered grazing losses for covered livestock due to drought on privately owned or cash leased land
- Livestock Indemnity Program (LIP) offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather. Drought is not an eligible adverse weather event, except when associated with anthrax, a

condition that occurs because of drought and directly results in the death of eligible livestock.

- Tree Assistance Program (TAP) provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub and vine losses due to natural disasters including excessive wind and qualifying drought.
- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) - provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs.
- **Emergency Loan Program** available to producers with agriculture operations located in a county under a primary or contiguous Secretarial Disaster designation. These low interest loans help producers recover from production and physical losses.
- Emergency Conservation Program (ECP) provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought.

To establish or retain FSA program eligibility, you must report prevented planting and failed acres (crops and grasses). Prevented planting acreage must be reported on form *FSA-576, Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

For more information on these programs, contact your local USDA Service Center or visit fsa.usda.gov/disaster.

Making Your Land More Resilient to Drought

USDA's Natural Resources Conservation Service can help you conserve water and build resilience to drought, through conservation practices that improve irrigation efficiency, boost soil health, and manage grazing lands.

Irrigation Efficiency

USDA helps you improve your irrigation efficiency to ensure each drop of water is used wisely. Saving water on your farm can help during drought and can offset rising water costs; reduce expenditures for energy, chemicals, and labor; and enhance revenues through higher crop yields and improved crop quality. Funded conservation practices include conversion to more efficient irrigation systems, such as micro-irrigation or subsurface drip irrigation, installation of irrigation pipeline, irrigation water management, structures for water control, and flow meters. Tools like drip irrigation, which provides water precisely where and when it's needed, can achieve greater precision with flow meters and soil moisture sensors.

Soil Health

In addition, soil health conservation practices, such as reduced- or no-till, cover crops, mulching and residue management can help to make your soil, and the plants you grow or animals you raise, healthier. Healthier soil can absorb and retain more water for longer periods of time, making your farm or ranch more resilient to drought. Using soil health practices, you can conserve water by increasing your soil's water-holding capacity and use

conservation tillage to keep the ground covered, reducing water loss through transpiration and evaporation.

And soil health practices increase organic matter, and each pound of organic matter can hold up to 20 pounds of water. Every 1% increase in organic matter results in as much as 25,000 gallons of soil water per acre. Each 1% increase in organic matter can also provide up to 30 pounds of more available nitrogen per acre. That means less money and time spent on inputs like water and fertilizer, which make your operation more profitable.

Rotational/Prescribed Grazing, Water Sources for Livestock

Drought also impacts grazing lands, and NRCS works with you to increase the resilience of your livestock operation. Ranchers can adapt to dry conditions in two main ways: increasing the availability and suitability of forage and ensuring that cattle have an adequate and reliable source of water. For forage, rotational or prescribed grazing (rotating cattle among pastures) can relieve pressure on stressed vegetation and ensure a more consistent supply of forage for animals. NRCS conservationists can also work with you to plant more drought-tolerant forage species, plants best suited to local soils and conditions. For reliable sources of water, NRCS can help you with installing watering facilities, water wells, or water pipeline for livestock. Having available forage and water for livestock can make a big difference in difficult drought conditions.

USDA and NRCS are here for you, helping you recover from drought and prepare for the next one. For more information on drought recovery assistance at farmers.gov/protection-recovery/drought#recovery. For more information on conservation practices to make your operation more resilient to drought in future years, go to www.nrcs.usda.gov.

USDA Updates Livestock Disaster Payment Rate to Assist Producers Hard-Hit by Heat and Humidity

The USDA's Farm Service Agency (FSA) announced today it is updating the <u>Livestock Indemnity Program (LIP)</u> payment rate to support livestock producers in the Midwest who have lost cattle to the extreme heat and humidity experienced this summer. To help indemnify ranchers to reflect a trend towards higher cattle weights in feedlots, the 2023 LIP payment rate for beef calves over 800 pounds will increase from \$1244 per head to \$1618, an increase of \$374.

LIP provides benefits to livestock owners and some contract growers for livestock deaths exceeding normal mortality from eligible adverse weather events, certain predation losses and reduced sales prices due to injury from an eligible loss. Indemnity payments are made at a rate of 75% of the prior year's average fair market value of the livestock.

The updated LIP payment rate is effective immediately and will be applied retroactively starting Jan.1, 2023, for all eligible causes of loss including excessive heat, tornado, winter storms, and other qualifying adverse weather. Producers who have already received LIP payments for 2023 losses will receive an additional payment, if applicable, commensurate with this updated rate. For details on eligibility and payment rates, review the <u>LIP fact sheet</u>.

FSA recognizes that an annual update of LIP payment rates does not account for the volatile nature of livestock markets and is further exploring flexibilities to establish more current payment rates.

More Information

On <u>farmers.gov</u>, <u>Disaster Assistance Discovery Tool</u>, <u>Disaster Assistance-at-a-Glance fact sheet</u>, and <u>Loan Assistance Tool</u> can help producers and landowners determine program or loan options. For FSA and NRCS programs, they should contact their <u>local USDA Service</u> Center.

Financial Assistance Application Process Opens for USDA Farm Loan Borrowers Who Have Faced Discrimination

USDA announced the opening of the financial assistance application process for eligible farmers, ranchers, and forest landowners who experienced discrimination in USDA farm lending programs prior to January 2021. Section 22007 of the Inflation Reduction Act (IRA) directs USDA to provide this assistance. Since the law's passage, USDA has worked diligently to design the program in accordance with significant stakeholder input.

The program website, <u>22007apply.gov</u>, is now open. The website includes an English- and Spanish-language application that applicants can download or submit via an e-filing portal, information on how to obtain technical assistance in-person or virtually, and additional resources and details about the program.

Farmers, ranchers, and forest landowners who experienced discrimination by USDA in its farm loan programs prior to January 1, 2021 and/or are currently debtors with assigned or assumed USDA farm loan debt that was the subject of USDA discrimination that occurred prior to January 1, 2021, are eligible for this program.

To apply, borrowers have the option to apply via the e-filing portal at 22007apply.gov or submit paper-based forms via mail or in-person delivery to the program's local offices. The application process will be open from July 7 to October 31, 2023. Under the planned timeline, applications will be reviewed in November and December, with payments reaching recipients soon thereafter. Importantly, applicants should know that the application process is not on a first come, first served, basis. All applications received or postmarked before the October 31 deadline will be considered.

To support producers throughout the application process, USDA is ensuring that organizations with extensive experience conducting outreach to farm organizations are able to support individuals who may be eligible for the program. These groups include AgrAbility, Farmers Veteran Coalition, Farmers Legal Action Group, Federation of Southern Cooperatives, Intertribal Agriculture Council, Land Loss Prevention Program, National Young Farmers Coalition, and Rural Coalition.

Vendors operating four regional hubs are also providing technical assistance and working closely with these and other community-based organizations to conduct outreach using digital

and grassroots strategies, to ensure potential applicants are informed about the program and have the opportunity to apply. These hubs are operating a network of brick-and-mortar program offices and will conduct extensive outreach about the program. Windsor Group serves farmers in the eastern regions of the U.S. and Analytic Acquisitions serves the western regions. A national administrator, Midtown Group, is responsible for program oversight and integrity, and will lead a national call-center, operate the application website - 2007apply.gov, which is now open – and review and process applications and payments. All vendors have experience in professional services, supporting government contracts, and complex program operations.

In standing up this program, USDA has become aware of some lawyers and groups spreading misleading information about the discrimination assistance process, pressuring people to sign retainer agreements, and asking people to fill out forms with private and sensitive information. As of today, the official application process has begun and filling out an application is free.

No attorneys' fees will be paid to applicants or their counsel by USDA or by any other agency or department of the United States. The amount of financial assistance will not be increased for those claimants who are represented by an attorney. Applicants are not required to retain an attorney. USDA, the national administrator, and the regional hub vendors will neither recommend that any applicant retain counsel or retain a specific attorney or law firm, nor discourage an applicant from obtaining counsel or using a specific attorney or law firm. For more information, read our <u>fact sheet about the program timeline and ways to protect against possible scams</u>.

USDA Encourages You to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The Farm Service Agency encourages you to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available. You can determine if crops are eligible for federal crop insurance or NAP by visiting the RMA website.

NAP offers higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. Buy-up levels of NAP coverage are available if the producer can show at least one year of previously successfully growing the crop for which coverage is being requested. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties.

Beginning, underserved, veterans and limited resource farmers are now eligible for free catastrophic level coverage.

Deadlines for coverage vary by state and crop. contact your local USDA Service Center at or visit fsa.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at <u>USDA's online Agent Locator</u>. You can use the <u>USDA Cost Estimator</u> to predict insurance premium costs.

USDA Expands Risk Management Options with Greater Enterprise Unit Possibilities

USDA is expanding its insurance coverage options for specialty crops and other actual production history (APH) crop programs. Through its Risk Management Agency (RMA), it will expand the availability of enterprise units to crops where they were previously unavailable, giving agricultural producers greater options to manage their risk.

An <u>enterprise unit</u> allows a producer to insure all acres of the insured crop in the county together, as opposed to other unit structures that separate the acreage for insurance. Enterprise units are attractive to producers due to lower premium rates offered to recognize the lower risk associated with the geographic diversification. In general, the larger the enterprise unit, the lesser the risk, and the greater the enterprise unit discount.

This furthers RMA's efforts to improve and expand the insurance program for specialty crops as required by the 2018 Farm Bill. Moreover, this expansion also meets producer requests for enterprise units for other APH crop insurance programs. The initial set of targeted crops can enjoy this new option when it becomes effective on June 30, 2023. RMA plans to expand to dozens more specialty and other APH crop programs with these benefits in the coming months.

The following crops will have enterprise units available beginning with the 2024 crop year:

- Alfalfa seed
- Cultivated wild rice
- Forage production
- Mint*
- Onions*
- Potatoes* (Enterprise units will be available in California for the 2025 crop year)

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the RMA Agent Locator. Learn more about crop insurance and the modern farm safety net at rma.usda.gov or by contacting your RMA Regional Office.

^{*}Specialty Crop

Applying for Beginning Farmer Loans

The Farm Service Agency (FSA) assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

For more information contact, contact your local USDA Service Center or visit fsa.usda.gov.

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 USDA Service Center or visit <u>fsa.usda.gov</u>.

USDA Announces New Steps to Enhance Organic Markets and Support Producers

The USDA is taking additional steps as part of its commitment to strengthen the market for domestically grown organic goods, and to support producers seeking organic certification. These funding opportunities are part of the U.S. Department of Agriculture's (USDA) Organic Transition Initiative, launched in fall 2022, which is a suite of offerings to help existing organic farmers and those transitioning to organic production and processing.

Consumer demand for organically produced goods surpassed \$67 billion in 2022, and multi-year trends of strong growth in the sector provide market incentives for U.S. farmers across a broad range of products. However, through public comment and listening sessions USDA has heard that producers may be less willing to commit to the three-year transition to organic certification because of risks related to inadequate organic processing, storage, and handling capacity, cost barriers due to limited markets for rotational crops, a lack of certainty about market access, and insufficient supply of certain organic ingredients. The organic livestock and processed product markets depend heavily on imported agricultural products for feed grains and key ingredients. These are longstanding market issues that were brought into sharp focus due to the impacts of the pandemic and international conflicts in critical overseas organic supply regions, resulting in limitations on certain domestic organic products in the face of rising demand.

Cost Share for Organic Certification

As part of USDA's broader effort to support organic producers and in response to stakeholder feedback, this year the Farm Service Agency increased the cost share amount under the <u>Organic Certification Cost Share Program</u> (OCCSP), which helps organic producers cover organic certification costs, to the maximum amount allowed by statute.

Specifically, FSA will cover up to 75% of costs associated with organic certification, up to \$750 for crops, wild crops, livestock, processing/handling and state organic program fees (California only). OCCSP will cover costs incurred from Oct. 1, 2022, through Sept. 30, 2023.

FSA begins accepting applications for OCCSP Monday, May 15. Applications are due Oct. 31, 2023. To apply, producers and handlers should contact the FSA at their local <u>USDA Service</u> <u>Center</u>. As part of completing the OCCSP application, producers and handlers will need to provide documentation of their organic certification and eligible expenses. Organic producers and handlers may also apply for OCCSP through participating state departments of agriculture.

FSA is also accepting applications from state departments of agriculture to administer OCCSP. FSA will post a synopsis of the funding opportunity on grants.gov and will send more information to all eligible state departments of agriculture. Additional details can be found on the OCCSP webpage. More information about these initiatives and more can be found at farmers.gov/organic-transition-initiative.

Discrimination Financial Assistance Program Local Events

Analytic Acquistions, Regional Administrator for the Discrimination Financial Assistance Program, is hosting a series of local events to provide help to people who are not near a local office. At these local events, they can assist with:

- Completing and filing your Application through eFile or on a paper copy
- Checking the status of your Application
- Providing interpretation and translation services

If you have specific questions related to the events, please contact 1-800-721-0970 for more information. Additional scheduled events can be found at 22007appy.gov/local-assistance.

September 1, 2023, 3:00 pm - 5:00 pm DFAP Workshop City of Freer Townhall 902 E Riley St. Freer, TX 78357

September 15, 2023, 3:00 pm - 8:00 pm Tri-State Fair and Rodeo 3301 SE 10th Ave. Amarillo, TX 79104

September 22, 2023, 3:00 pm - 8:00 pm Panhandle South Plains Fair Panhandle South Plains Fairgrounds 105 E Broadway Lubbock, TX 79403

Upcoming Events

September 6, 2023

Urban Agriculture Workshop, San Antonio, TX

September 13, 2023

Come Learn What USDA Offers Urban Ag Producers, Dallas, TX

September 27-28, 2023

2501 Partnership Symposium, Austin, TX

USDA in Texas



Farm Service Agency

State Executive Director Kelly Adkins

State Committee

Debra Barrett, Committee Chair Armando Mandujano Angie Martin Wesley Ratcliff Cody Scogin **Natural Resources Conservation Service**

State Conservationist Kristy Oates

Risk Management Agency

Regional Director
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