

Wisconsin Farm Service Agency - December 2023

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Dates to Remember

December 7-8, 2023: NEW Wisconsin Water and Soil Health Conference

December 25, 2023: USDA Service Centers Closed in Observance of Christmas Day.

December 31, 2023: Noninsured Crop Disaster Assistance Program (NAP) Closing Deadlines for Maples Sap and Honey.

January 1, 2023: USDA Service Centers Closed in Observance of New Year's Day.

January 2, 2024: Deadline to submit initial honeybee colony reports for calendar year 2024

January 13, 2023: Applications due for <u>Section 22007 of the Inflation Reduction Act</u> (IRA).

January 15, 2023: USDA Service Centers Closed in Observance of the Birthday of Martin Luther King, Jr.

January 30, 2024: Final date to submit <u>Livestock Forage Disaster Program (LFP)</u> applications for 2023 grazing losses due to drought.

January 30, 2024: Final date to submit a Notice of Loss and application for payment for the Emergency Assistance for Livestock, Honeybees, and Farm Raised Fish Program (ELAP)

Improving Risk Protection on Tribal Lands

More than <u>46 million acres of tribal land in the United States</u> are used for production agriculture, an inherently high-risk business. The U.S. Department of Agriculture (USDA) is here to help the producers who operate these tribal lands to prepare, recover, and build long-term resilience to natural disasters and climate change, through a suite of <u>disaster assistance programs</u>, <u>crop insurance and other risk management options</u>, and conservation programs and practices.

A new <u>Tribal Partnerships</u> page on USDA's <u>farmers.gov</u> website is designed to connect Tribal Nation leaders, land managers, agricultural producers and citizens with USDA programs and services. Developed as part of USDA's commitment to its federal trust responsibility to Tribal Nations, the web page showcases opportunities for land access, indigenous representation, conservation partnerships, and support for tribal food sovereignty.

USDA's Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), and Risk Management Agency (RMA) offer programs, technical assistance, and insurance products for managing risk, adopting climate-smart practices, and ensuring a safety net from weather.

Crop Insurance

Through the Federal Crop Insurance Corporation, USDA provides crop insurance to farmers and ranchers to help them manage risks on their farms and ranches. There are many types of insurance products available for a wide variety of production practices, including organic and sustainable agriculture. Crop insurance can be obtained through an Approved Insurance Provider (crop insurance agent), while other programs, including FSA's Noninsured Crop Disaster Assistance Program (NAP) coverage can be accessed by contacting your local USDA Service Center.

Disaster Assistance Discovery Tool

Producers who recently suffered loss or damage due to a natural disaster including crop and livestock losses, farmland damage as well as damages to farm or ranch infrastructure such as hay storage facilities, fence, and equipment can use the USDA Disaster Discovery Tool to receive personalized results outlining which programs best meet their needs. Find <u>disaster assistance</u> program details and learn more about USDA assistance at the USDA Disaster Resource Center.

Risk Protection for Beginning, Veteran, Limited Resource and Minority Producers

In 2023, FSA made <u>improvements to NAP</u> to enhance risk protection coverage for beginning, veteran, limited resource, and minority producers. Learn more about <u>NAP</u> <u>coverage</u> and other disaster recovery programs at <u>farmers.gov/protection-recovery</u>.

Crop Acreage Reporting

To be eligible for many USDA programs, including risk management programs, agricultural producers must file timely <u>acreage reports</u> that document the crops grown on their farm or ranch and their intended uses. Deadlines for filing crop acreage reports vary by crop and by state and county.

FSA staff at <u>local USDA Service Centers</u> will provide producers with maps and acreage reporting deadlines, by crop, for their county. <u>A crop insurance agent</u> can assist with reporting information necessary for crop insurance benefits. <u>Learn more about crop acreage reporting here.</u>

Climate-Smart Conservation Practices

USDA is making more than \$3 billion in funding available for agricultural producers and forest landowners nationwide to participate in voluntary conservation programs and adopt climate-smart practices in fiscal year 2024 as part of President Biden's Investing in America agenda. These funds are provided by President Biden's Inflation Reduction Act—the largest climate and conservation investment in history. This law invests an additional \$19.5 billion for USDA's popular conservation programs.

Farmers.gov Portal

Producers can also manage their USDA business on <u>farmers.gov</u>. Signing up for an account provides one place to do business online with FSA and NRCS, including the ability to e-sign documents, request assistance and apply for programs. Features on this site will help expedite acreage reporting, including the ability to view, print and label maps. A farmers.gov account also offers self-service for FSA and NRCS customers to manage FSA farm loans and NRCS conservation contracts.

Customers who are new to USDA should visit <u>Get Started at Your USDA Service Center</u>, then go to farmers.gov/account to create a farmers.gov account.

For more information about USDA support and partnerships with Tribal Nations, visit farmers.gov/tribal. To learn more about FSA and NRCS programs, producers can contact their local USDA Service Center. Visit RMA online to find risk management education and training opportunities. Watch this USDA Office of Tribal Relations video to hear how USDA Helps Acoma Pueblo Ranchers.

Tax Resources for USDA Program Participants

Navigating filing taxes can be challenging, especially if you are new to running a farm business, participating in disaster programs for first time, or trying to forecast the farm's tax bill. Receiving funds from USDA through activities such as a conservation program

payment or a disaster program is considered farm income that includes a tax liability for farm businesses. USDA technical assistance is free and creates no tax implications.

At the end of the tax year, USDA issues tax forms 1098 and 1099 forms for farm loans, conservation programs administered by the Farm Service Agency and Natural Resource Conservation Service including the Conservation Reserve Program and Environmental Quality Incentives Program, crop disaster payments, and the Market Facilitation Program. USDA also issues tax forms for recipients of assistance for distressed borrowers, including through Section 22006 of the Inflation Reduction Act.

If you have received tax forms related to your operation, USDA cannot and does not provide tax advice but wants you to be aware of options that may help manage your tax liability. USDA has partnered with experts to provide resources to help you make the right tax decisions for your operation. Monthly webinars are available for registration and to view on demand at https://www.farmers.gov/working-with-us/taxes.

The <u>Tax Estimator Tool</u> is an interactive spreadsheet that producers can download to estimate tax liability. It is for informational and educational purposes and should not considered tax or legal advice. Producers may need to work with a tax professional to determine the correct information to be entered in the Tax Estimator Tool.

We encourage you to visit https://www.farmers.gov/working-with-us/taxes for more information on how to find and work with a tax preparer as well as instructions on how to request copies of USDA documents and links to other helpful tax resources

USDA Makes Producer-Friendly Change to 2023 Notice of Loss Requirements for Two Livestock Disaster Assistance Programs

The U.S. Department of Agriculture (USDA) has waived certain notice of loss requirements for 2023 for the Emergency Assistance for Livestock, Honeybees, and <a href="Emergency Assistance for Livestock, Honeybees, and <a href="Emergency Assistance for Livestock, Honeybees, and <a href="Emergency Assistance for Livestock, Livestock, Honeybees, and <a href="Emergency Assistance for Livestock, Honeybees, and <a href="Emergency Assistance for Livestock, Honeybees, and Honeybees, and <a href="Emergency Assistance for Livestock, Honeybees, and <a href="Emergency Assistance for Livestock, Honeybees, and Honeybees, and <a href="Emergency Assistance for Livestock, Honeybees, and Hone

Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish

ELAP provides recovery assistance to eligible producers of livestock, honeybee, and farm-raised fish losses due to an eligible adverse weather or loss condition, including blizzards, disease, water shortages and wildfires. ELAP covers grazing and feed losses, transportation of water and feed to livestock and hauling livestock to grazing acres. ELAP also covers certain mortality losses for livestock including honeybees and farm-raised fish

as well as honeybee hive losses. ELAP is designed to address losses not covered by other FSA disaster assistance programs.

For 2023, FSA is waiving the regulatory requirement for producers who are eligible for ELAP to file a notice of loss with FSA within 30 calendar days from when the loss first became apparent for livestock and farm-raised fish and 15 calendar days for honeybees. Under this waiver, notices of loss are to be completed by the eligible producer and submitted to FSA no later than the annual program application deadline of January 30 following the program year in which the loss occurred. Therefore, producers who incurred ELAP-eligible losses in 2023, will need to submit a notice of loss by Jan. 30, 2024.

Livestock Indemnity Program

LIP provides disaster recovery assistance to livestock owners and contract growers who experience livestock deaths, in excess of normal mortality caused by eligible loss conditions including adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law, including wolves and avian predators. LIP also helps livestock owners who must sell livestock at a reduced price because of an injury from certain loss conditions.

For 2023, FSA is waiving the regulatory requirement for producers who are eligible for LIP to file a notice of loss within 30 calendar days from when the loss first became apparent. Under this waiver, producers are still required to complete and submit the notice of loss to FSA no later than the annual program payment application date, which is 60 calendar days following the program year in which the loss occurred. The LIP payment application and notice of loss deadline is Feb. 29, 2024, for the 2023 program year.

2023 Disapproved Applications

FSA county committees will review all notices of loss for both ELAP and LIP that were previously disapproved for the 2023 program year due to late filing and re-evaluate them to determine if the waiver applies. To receive ELAP and LIP benefits, producers will still need to file an application for payment by the established program deadline for the 2023 program year. Producers who are unsure about the status of their notice of loss or application for payment, should contact their local FSA county office as soon as possible.

Supporting Documentation

Accurate records and loss documentation are critical following disaster events and are required when filing notices of loss with FSA. Acceptable loss documentation includes:

- Documentation of the number, kind, type, and weight range of livestock that have died, supplemented, if possible, by photographs or video records of ownership and losses.
- Rendering truck receipts by kind, type, and weight important to document prior to disposal.
- Beginning inventory supported by birth recordings or purchase receipts.

- Documentation from Animal Plant Health Inspection Service, Department of Natural Resources, or other sources to substantiate eligible death losses due to an eligible loss condition.
- Documentation that livestock were removed from grazing pastures due to an eligible adverse weather or loss condition.
- Costs of transporting livestock feed to eligible livestock, such as receipts for equipment rental fees for hay lifts and snow removal.
- Feed purchase receipts if feed supplies or grazing pastures are destroyed.
- Number of gallons of water transported to livestock due to water shortages.

More Information

The improvements to ELAP and LIP build on others made since 2021. This includes ELAP benefits for above normal costs for hauling feed and water to livestock and transporting livestock to other grazing acres during a qualifying drought. FSA also <u>expanded eligible livestock</u> under ELAP, LIP, and the Livestock Forage Disaster Assistance Program, and increased the LIP payment rate for beef, beefalo, bison, and dairy animals less than 250 pounds and most recently beef calves over 800 pounds. Learn about USDA disaster assistance programs on farmers.gov.

On <u>farmers.gov</u>, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster-at-a-Glance fact sheet</u> and <u>Loan Assistance Tool</u> can help producers and landowners determine <u>disaster protection and recovery</u> program or loan options. For more information about FSA programs, contact your local <u>USDA Service Center</u>.

Current FSA Loan Interest Rates

Current loan rates as of December 1, 2023.

Farm Loan Interest Rates:

Farm Operating - Direct	5.750%
Farm Operating - Microloan	5.750%
Farm Ownership - Direct	5.875%
Farm Ownership - Microloan	5.875%
Farm Ownership - Direct, Joint Financing	3.875%
Farm Ownership - Down Payment	1.875%
Emergency - Amount of Actual Loss	3.750%

Farm Storage Facility Loans (FSFL):

3-year FSFL	4.750%
5-year FSFL	4.625%
7-year FSFL	4.625%
10-year FSFL	4.625%

12-year FSFL 4.750%

Please visit the <u>Farm Loan Program</u> webpage for more information.

USDA Now Accepting Applications for Farm Loans Online

The U.S. Department of Agriculture (USDA) has launched an <u>online application for Direct Loan customers</u>. More than 26,000 customers who submit a Direct Loan application each year can now use an online, interactive, guided application that is paperless and 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. This tool is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, improve customers service, and expand credit access.

The online farm loan application replicates the support an applicant would receive when completing a loan application in person with an FSA Farm Loan Officer, while continuing to provide customers with one-on-one assistance as needed. This tool and other process improvements allow farmers and ranchers to submit complete loan applications and reduce the number of incomplete and withdrawn applications.

Through a personalized dashboard, borrowers can track the progress of their loan application. It can be accessed on farmers.gov or by completing FSA's Loan Assistance Tool at farmers.gov/loan-assistance-tool. To use the online loan application tool, producers must establish a USDA customer account and a USDA Level 2 eAuthentication ("eAuth") account or a Login.gov account. For the initial stage, the online application tool is only available for producers who will be, or are currently, operating their farm as an individual. FSA is expanding the tools availability to married couples applying jointly and other legal entities in 2024.

Farm Loan Improvement Efforts

FSA has a significant initiative underway to streamline and automate Farm Loan Program customer-facing business processes. For the over 26,000 producers who submit a Direct Loan application to FSA annually, and its 85,000 Direct Loan borrowers, FSA has made improvements this year, including:

- A simplified direct loan paper application, reduced from 29 pages to 13 pages.
- The <u>Loan Assistance Tool on farmers.gov</u> that provides customers with an
 interactive online, step-by-step guide to identifying the Direct Loan products that
 may be a fit for their business needs and to understanding the application process.

More Information

FSA continues to accept and review individual requests for assistance from borrowers who took certain extraordinary measures to avoid delinquency on their direct FSA loans or those who missed a recent installment or are unable to make their next scheduled installment. All requests for assistance must be received by Dec. 31, 2023. For more

information, or to submit a request for assistance, producers can contact their local <u>USDA</u> Service Center or visit farmers.gov/inflation-reduction-investments/assistance.

The Inflation Reduction Act, a historic, once-in-a-generation investment and opportunity for agricultural communities, provided \$3.1 billion for USDA to provide relief for distressed borrowers with certain FSA direct and guaranteed loans and to expedite assistance for those whose agricultural operations are at financial risk. Since October 2022, USDA has provided approximately \$1.6 billion in immediate assistance to more than 27,000 financially distressed direct and guaranteed FSA loan borrowers.

Wisconsin NRCS Encourages Producers Within High-Priority Watersheds to ACT NOW

The U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), has announced they will begin utilizing the new *Act Now* policy, which offers additional flexibilities for eligible Environmental Quality Incentives Program (EQIP) applicants enrolled in the <u>Mississippi River Basin Healthy Watersheds Initiative (MRBI)</u> and <u>National Water Quality Initiative (NWQI)</u>. These NRCS initiatives were designed to help agricultural producers within high-priority watershed areas implement voluntary conservation practices to control nutrient runoff, improve water quality and wildlife habitat, and maintain agricultural productivity.

Through *Act Now,* Wisconsin NRCS can immediately preapprove all EQIP applications eligible through the MRBI and NWQI.

Click here to hear to read more.

Inflation Reduction Act Section 22007 – Discrimination Financial Assistance Program

The application period is now open for a new financial assistance program under Section 22007 of the Inflation Reduction Act (IRA), for farmers, ranchers, and forest landowners who experienced discrimination in USDA farm lending programs prior to January 2021. The application process will close on January 13, 2024. Borrowers will have the option to apply for assistance online via 22007apply.gov or through a paper-based form.

Details about the program, including an application and e-filing portal, are available at 22007apply.gov. 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. Applicants can also call the free call center at 1-800-721-0970, or visit one of several dozen brick-and-mortar offices the program has set up around the country. Locations are provided on the program website and vendors will update the local events schedule with more information as it becomes available. It is important to note that filing an application is FREE and does not require a lawyer.

If you want to get weekly updates on the program's events and progress, you can go to https://22007apply.gov, and subscribe to a weekly newsletter.

Wisconsin NRCS Helps Celebrate 10 Years of Locally Led Watershed Conservation

Farmers, conservation professionals and project partners gathered at Brickstead Dairy Farm in Greenleaf, Wisconsin, earlier this month to commemorate and celebrate the 10-year anniversary of the Lower Fox Demonstration Farms Network. Funded through the Great Lakes Restoration Initiative program, in collaboration with the U.S. Department of Agriculture Natural Resources Conservation Service, Brown and Outagamie County Land and Water Conservation Departments, Green Bay Metropolitan Sewerage District (NEW Water), the Great Lakes Commission, and the University of Wisconsin-Madison Division of Extension, the project was designed to showcase and demonstrate the effectiveness of conservation practices on participating farms located in the Lower Fox River watershed.

Click here to read more.

Wisconsin Farm Service Agency

8030 Excelsior Drive Suite 100 Madison, WI 53717

Phone: 608-662-4422

State Executive Director

Gene Schriefer eugene.schriefer@usda.gov

Farm Program Chief

Greg Biba greg.biba@usda.gov **Farm Loan Chief**

Tom Brandt tom.brandt@usda.gov

Farm Program Chief

John Palmer john.palmer@usda.gov

State Committee:

Josh Tranel Clara Hedrich Tina Hinchley

Joe Koch Heidi Randall