

Wisconsin Farm Service Agency - May 2023

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Dates to Remember

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

May 5, 2023: Proposals for 2023 Conservation Innovation Grants are due.

May 15, 2023: Go Farm Connect Webinar: Emergency Relief for Crop Growers

May 19, 2023: Applications due for second round of <u>EQIP and RCPP funding for fiscal year 2023</u>.

May 26, 2023: Deadline to sign up for Grassland CRP

May 29, 2023: USDA Service Centers Closed in Observance of Memorial Day

May 31, 2023: Final date to request 2022 Coarse Grain Marketing Assistance Loans.

June 2, 2023: Deadline to sign up for Pandemic Assistance Revenue Program (PARP)

June 2, 2023: Deadline to sign up for Emergency Relief Program Phase Two (ERP 2)

June 7, 2023: Wisconsin NRCS Virtual Local Working Group Meeting.

June 19th, 2023: USDA Service Centers Closed in Observance of Juneteenth National Independence Day

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 CCC-471, 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.

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. Learn More

Need to update: Current FSA Loan Interest Rates

Current loan rates as of May 1, 2023.

Farm Loan Interest Rates:

Farm Operating - Direct 5.000% Farm Operating - Microloan 5.000%

Farm Ownership - Direct	5.000%
Farm Ownership - Microloan	5.000%
Farm Ownership - Direct, Joint Financing	3.000%
Farm Ownership - Down Payment	1.500%
Emergency - Amount of Actual Loss	3.750%

Farm Storage Facility Loans (FSFL):

3-year FSFL	3.750%
5-year FSFL	3.500%
7-year FSFL	3.500%
10-year FSFL	3.500%
12-year FSFL	3.500%

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

USDA's CLEAR30 Offers Producers with Expiring Voluntary Conservation Contracts Longer Term Options

Agricultural producers and landowners with certain expiring <u>Conservation Reserve Program</u> (CRP) contracts can receive additional rental incentives and extend that land's role in conservation for another 30 years. The U.S. Department of Agriculture (USDA) has opened the signup period for its Clean Lakes, Estuaries, And Rivers enrollment (CLEAR30) **now through July 31, 2023**. CLEAR30 is a part of the CLEAR initiative, which prioritizes water quality practices as a part of Continuous CRP enrollment, and is one of several CRP enrollment opportunities. CLEAR30 allows producers and landowners enrolling certain water quality practices to enroll in 30-year contracts, extending the lifespan and strengthening the benefits of important water quality practices on their land. Like other CRP enrollments, CLEAR30 is a voluntary, incentive-based conservation opportunity offered by USDA's Farm Service Agency (FSA).

Cropland and certain pastureland that is currently enrolled in Continuous CRP or the Conservation Reserve Enhancement Program (CREP) and is also dedicated to an eligible water quality practice, such as the establishment of riparian buffers, contour strips, or grass waterways, may be eligible for CLEAR30 if their contracts are expiring by September 30, 2023.

CLEAR30 contracts will be effective beginning October 1, 2023. These long-term contracts ensure that conservation practices remain in place for 30 years, which improves water quality by reducing sediment and nutrient runoff and helping prevent algal blooms. Conservation in

riparian areas also provides important carbon sequestration benefits. Traditional CRP contracts run from 10 to 15 years.

About CLEAR30

CLEAR30 enrollment was established in the 2018 Farm Bill to better address water quality concerns. Originally, CLEAR30 was only available in the Great Lakes and Chesapeake Bay watersheds; in 2021, FSA made CLEAR30 available to agricultural producers and landowners nationwide, and participation grew nearly seven-fold from 2020 to 2021.

Annual rental payments for landowners who enroll in CLEAR30 will be equal to the current Continuous CRP annual payment rate plus a **20** percent water quality incentive payment and an annual rental rate adjustment of **27.5** percent.

How to Sign Up

To sign up for CLEAR30, landowners and producers should contact their local <u>USDA Service Center</u> by **July 31, 2023**. Contact information can be found at <u>farmers.gov/service-locator</u>. Additionally, fact sheets and other resources are available at <u>fsa.usda.gov/crp.</u>

About Continuous CRP

CLEAR30 is one of several enrollment opportunities with Continuous CRP, giving producers and landowners the opportunity to enroll in CRP throughout the year without specific signup periods. Through the overall CLEAR initiative in Continuous CRP, USDA prioritizes water quality practices to reduce sediment and nutrient loadings and to foster clean lakes, estuaries, and rivers.

Offers are automatically accepted provided the producer and land meet the eligibility requirements and the enrollment levels do not exceed the statutory cap.

Continuous CRP offers conservation benefits similar to others, like General and Grassland CRP, but also offers unique flexibility and several program choices, which in addition to CLEAR30, include:

- <u>State Acres For Wildlife Enhancement (SAFE)</u>: The initiative restores vital habitat in order to meet high-priority state wildlife conservation goals.
- <u>Highly Erodible Lands Initiative (HELI)</u>: Producers and landowners can enroll in CRP to establish long-term cover on highly erodible cropland.
- <u>Conservation Reserve Enhancement Program (CREP)</u>: Working with conservation partners, CREP leverages federal and non-federal funds to target specific State, regional, or nationally significant conservation concerns.
- <u>Farmable Wetlands Program</u>: Producers and landowners can enroll land in CRP to restore previously farmed wetlands and wetland buffers, improving both vegetation and water flow.
- Clean Lakes, Estuaries And Rivers (CLEAR): Prioritizes water quality practices to reduce sediment, nutrient loadings, and help prevent algal blooms to foster Clean Lakes, Estuaries, and Rivers

More Information

CLEAR30 is an enrollment option available through CRP, one of the largest voluntary private-lands conservation programs in the United States. CRP was originally intended to primarily control soil erosion and stabilize commodity prices by taking environmentally sensitive lands out of production. The program has evolved over the years, providing numerous conservation and economic benefits. In addition to CLEAR30, signups are also open for Continuous CRP and Grassland CRP. The Grassland CRP signup opened April 17 and runs through May 26.

USDA Announces Grassland Conservation Reserve Program Signup 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 haying 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

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 Launches Loan Assistance Tool to Enhance Equity and Customer Service

The U.S. Department of Agriculture (USDA) launched a new online tool to help farmers and ranchers better navigate the farm loan application process. This uniform application process will help to ensure all farm loan applicants receive equal support and have a consistent customer experience with USDA's Farm Service Agency (FSA) regardless of their individual circumstances.

USDA experiences a high rate of incomplete or withdrawn applications, particularly among underserved customers, due in part to a challenging and lengthy paper-based application process. The Loan Assistance Tool is available 24/7 and gives customers an online step-by-step guide that supplements the support they receive when working in person with a USDA employee, providing materials that may help an applicant prepare their loan application in one tool.

Farmers can access the Loan Assistance Tool by visiting farmers.gov/farm-loan-assistance-tool and clicking the 'Get Started' button. From here they can follow the prompts to complete the Eligibility Self-Assessment and start the farm loan journey. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

The Loan Assistance Tool is the first of multiple farm loan process improvements that will be available to USDA customers on farmers.gov in the future. Other improvements and tools that are anticipated to launch in 2023 include:

 A streamlined and simplified direct loan application, reduced from 29 pages to 13 pages.

- An interactive online direct loan application that gives customers a paperless and electronic signature option, along with the ability to attach supporting documents such as tax returns.
- An online direct loan repayment feature that relieves borrowers from the necessity of calling, mailing, or visiting a local Service Center to pay a loan installment.

Background

USDA provides access to credit to approximately 115,000 producers who cannot obtain sufficient commercial credit through direct and guaranteed farm loans. With the funds and direction Congress provided in Section 22006 of the Inflation Reduction Act, USDA is taking action to immediately provide relief to qualifying distressed borrowers whose operations are at financial risk while working on making transformational changes to loan servicing so that borrowers are provided the flexibility and opportunities needed to address the inherent risks and unpredictability associated with agricultural operations.

Joint Chiefs' Partnership Supports Forestry and Wildlife Conservation in Northeastern Wisconsin

The Northeast Wisconsin Forestry and Wildlife Partnership project has been developed through the <u>Joint Chiefs' Landscape Restoration Partnership (JCLRP)</u> to address wildfire threats, water quality, and wildlife habitat. The JCLRP enables the U.S. Department of Agriculture Natural Resources Conservation Service (NRCS) and the U.S. Forest Service to collaborate with agricultural producers and forest landowners focused on conservation and restoration efforts. These conservation efforts aim to achieve several landscape-level outcomes, including reductions in storm-caused fuel loads and fire risks, improving water quality and aquatic habitat, increasing habitat for species such as golden-winged warblers, brook trout, and monarch butterflies, and promoting forest health through oak wilt prevention, emerald ash borer mitigation and planting resilient tree species. The project area is centered on the Lakewood-Laona Ranger District of the Chequamegon-Nicolet National Forest (CNNF), and includes portions of the Eagle River-Florence Ranger District, private and Tribal lands in Florence, Forest, Langlade, Marinette, Menominee, Oconto, Oneida, and Shawano counties.

Some of the conservation priorities identified by the Partnership for Fiscal Year 2023 include:

- Forest Management Plans
- Trout Stream Crossing Improvement
- Wildfire Hazard Reduction/Storm Damage Cleanup
- Oak Wilt and Emerald Ash Borer Mitigation

Landowners interested in applying for funding should visit the NRCS <u>website</u> or contact their local NRCS Service Center.

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

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> <u>Revenue 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 <u>ERP Phase 2 tool</u> and <u>PARP</u> 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.

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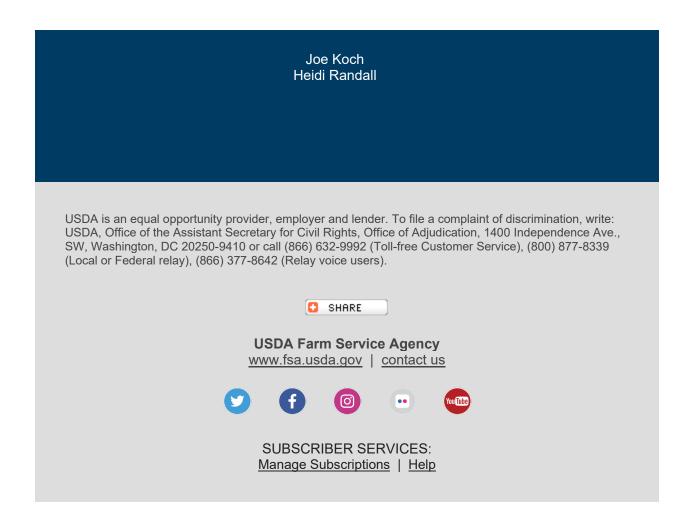
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