

Connecticut Farm Service Agency Newsletter - March 28, 2024

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Important Upcoming Deadlines:

March 29, 2024 - Deadline to enroll in the Conservation Reserve Program (CRP).

March 31, 2024 - Deadline to sigh up for the <u>Whole Farm Revenue Protection</u> program through the <u>USDA Risk Management Agency</u>.

March 31, 2024 - Deadline to sigh up for the <u>Micro Farm Program</u> through the <u>USDA Risk</u> <u>Management Agency</u>.

April 29, 2024 - Deadline to enroll in the 2024 Dairy Margin Coverage Program (DMC).

Urban Producers, Public Invited to Attend April Meeting of Federal Advisory Committee for Urban Agriculture and Innovative Production



Meeting will take place April 10, 2-4 p.m. ET

We're inviting urban producers, innovative producers, and other stakeholders to virtually attend a public meeting of the Federal Advisory Committee for Urban Agriculture and Innovative Production on April 10 from 2-4 p.m. Eastern.

Meeting details can be viewed in the <u>Federal Register Notice</u>. Written comments can be submitted via <u>UrbanAgricultureFederalAdvisoryCommittee@usda.gov</u> by April 24 at 11:59 p.m. The Committee will deliberate and vote on proposed recommendations and address public comments during the meeting. USDA will share the agenda between 24 to 48 hours prior to the meeting on the <u>Committee's webpage</u>.

The Committee is managed by the Office of Urban Agriculture and Innovative Production and was established through the 2018 Farm Bill and is part of a broad USDA investment in urban agriculture.

Learn more or register!

USDA Accepting Applications for Urban Agriculture and Innovative Production



Apply by April 9, 2024

USDA is accepting applications for grants to support urban agriculture and innovative production. The competitive grants will support the development of urban agriculture and innovative production projects through two categories, Planning Projects and Implementation Projects.

Learn more!

USDA Rural Development to Host April 3 Workshop on Funding to Repair and Improve Housing for Farmworkers

U.S. Department of Agriculture (USDA) Rural Development Under Secretary Dr. Basil Gooden has announced that USDA will host a workshop on Wednesday, April 3, 2024, at 2 p.m. ET for potential applicants of the <u>Off-Farm Labor Repair Housing Direct Loans & Grants Program</u>.

Participants will learn more about the application process, borrower responsibilities and other program details. To register, visit: <u>Webinar Registration - Zoom (zoomgov.com)</u>.

USDA recently <u>announced</u> it is accepting applications for this program until noon ET on June 18, 2024

To learn more, read full Stakeholder Announcement.

USDA Expands Insurance Option for Nursery Growers to All States

USDA is expanding crop insurance tailored for nursery producers to all counties in all states. <u>Nursery Value Select</u> (NVS) is a pilot program that enables nursery producers to select the dollar amount of coverage that best fits their risk management needs. Its expansion is part of USDA's Risk Management Agency (RMA) efforts to provide insurance options for a broader group of producers, including specialty crop producers.

NVS provides similar but improved coverage to the longstanding Nursery Field Grown and Container (FG&C) program. NVS also covers field grown and containerized nursery plants and offers coverage levels between catastrophic and 75 percent.

Prior to this expansion, NVS was only available in select counties in these states: Alabama, Colorado, Florida, Michigan, New Jersey, Oregon, Tennessee, Texas, and Washington. Beginning with the 2025 crop year, NVS will now be available in all counties in all states. The sales closing date for the 2025 crop year is May 1, 2024, or September 1, 2024, as provided in the actuarial documents.

NVS was first available in the 2021 crop year, and producers insured more than \$460 million in liabilities in crop year 2023.

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 <u>RMA Agent</u> <u>Locator</u>. Learn more about crop insurance and the modern farm safety net at <u>rma.usda.gov</u> or by contacting your <u>RMA Regional Office</u>.

Dairy Producers Can Enroll for 2024 Dairy Margin Coverage Beginning Feb. 28

Starting Feb. 28, dairy producers will be able to enroll for 2024 Dairy Margin Coverage (DMC), an important safety net program offered through the U.S. Department of Agriculture (USDA) that provides producers with price support to help offset milk and feed price differences. This year's DMC signup begins Feb. 28, 2024, and ends April 29, 2024. For those who sign up for 2024 DMC coverage, payments may begin as soon as March 4, 2024, for any payments that triggered in January 2024.

USDA's Farm Service Agency (FSA) has revised the regulations for DMC to allow eligible dairy operations to make a one-time adjustment to established production history. This adjustment will be accomplished by combining previously established supplemental production history with DMC production history for those dairy operations that participated in Supplemental Dairy Margin Coverage during a prior coverage year. DMC has also been authorized through calendar year 2024. Congress passed a 2018 Farm Bill extension requiring these regulatory changes to the program.

DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. In 2023, Dairy Margin Coverage payments triggered in 11 months including two months, June and July, where the margin fell below the catastrophic level of \$4.00 per hundredweight, a first for Dairy Margin Coverage or its predecessor Margin Protection Program.

2024 DMC Coverage and Premium Fees

FSA has revised DMC regulations to extend coverage for calendar year 2024, which is retroactive to Jan. 1, 2024, and to provide an adjustment to the production history for dairy operations with less than 5 million pounds of production. In previous years, smaller dairy operations could establish a supplemental production history and receive Supplemental Dairy Margin Coverage. For 2024, dairy producers can establish one adjusted base production

history through DMC for each participating dairy operation to better reflect the operation's current production.

For 2024 DMC enrollment, dairy operations that established supplemental production history through Supplemental Dairy Margin Coverage for coverage years 2021 through 2023, will combine the supplemental production history with established production history for one adjusted base production history.

For dairy operations enrolled in 2023 DMC under a multi-year lock-in contract, lock-in eligibility will be extended until Dec. 31, 2024. In addition, dairy operations enrolled in multi-year lock-in contracts are eligible for the discounted DMC premium rate during the 2024 coverage year. To confirm 2024 DMC lock-in coverage or opt out in favor of an annual contract for 2024, dairy operations having lock-in contracts must enroll during the 2024 DMC enrollment period.

DMC offers different levels of coverage, even an option that is free to producers, minus a \$100 administrative fee. The administrative fee is waived for dairy producers who are considered limited resource, beginning, socially disadvantaged or a military veteran. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the <u>online dairy decision tool</u>.

DMC Payments

DMC payments are calculated using updated feed and premium hay costs, making the program more reflective of actual dairy producer expenses. These updated feed calculations use 100% premium alfalfa hay.

More Information

USDA also offers other risk management tools for dairy producers, including the <u>Dairy</u> <u>Revenue Protection (DRP)</u> plan that protects against a decline in milk revenue (yield and price) and the <u>Livestock Gross Margin (LGM)</u> plan, which provides protection against the loss of the market value of milk minus the feed costs. Both DRP and LGM livestock insurance policies are offered through the Risk Management Agency. Producers should contact their local <u>crop insurance agent</u> for more information.

For more information on DMC, visit the <u>DMC webpage</u> or contact your local <u>USDA Service</u> <u>Center</u>.

USDA Offers Options for Signing and Sharing Documents Online

Farmers and ranchers working with USDA's Farm Service Agency or Natural Resources Conservation Service can now sign and share documents online in just a few clicks. By using Box or OneSpan, producers can digitally complete business transactions without leaving their homes or agricultural operations. Both services are free, secure, and available for multiple FSA and NRCS programs.

Box is a secure, cloud-based site where FSA or NRCS documents can be managed and shared. Producers who choose to use Box can create a username and password to access their secure Box account, where documents can be downloaded, printed, manually signed,

scanned, uploaded, and shared digitally with Service Center staff. This service is available to any FSA or NRCS customer with access to a mobile device or computer with printer connectivity.

OneSpan is a secure eSignature solution for FSA and NRCS customers. Like Box, no software downloads or eAuthentication is required for OneSpan. Instead, producers interested in eSignature through OneSpan can confirm their identity through two-factor authentication using a verification code sent to their mobile device or a personalized question and answer. Once identity is confirmed, documents can be reviewed and e-signed through OneSpan via the producer's personal email address. Signed documents immediately become available to the appropriate Service Center staff.

Box and OneSpan are both optional services for customers interested in improved efficiency in signing and sharing documents with USDA, and they do not replace existing systems using eAuthentication for digital signature. Instead, these tools provide additional digital options for producers to use when conducting business with FSA or NRCS.

USDA Service Center staff are available to help producers get started with Box and OneSpan through a few simple steps. Please visit <u>farmers.gov/service-locator</u> to find your local office and let Service Center staff know you're interested in signing and sharing documents through these new features. In most cases, one quick phone call will be all that is needed to initiate the process.

Visit <u>farmers.gov/mydocs</u> to learn more about Box and OneSpan, steps for getting started, and additional resources for conducting business with USDA online.

Communication Is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be successful. FSA staff will provide guidance and counsel from the loan application process through the borrower's graduation to commercial credit. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation
- Any significant changes to family income or expenses
- The development of problem situations
- Any losses or proposed significant changes in security

If a farm loan borrower can't make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, contact your local <u>USDA service center</u> or visit <u>fsa.usda.gov</u>.

Guide Available for Underserved Farmers, Ranchers

A multi-agency guide for USDA assistance for underserved farmers and ranchers is now available. If you are a farmer or rancher and are a minority, woman, veteran, beginning, or limited resource producer, you can use this booklet to learn about assistance and targeted opportunities available to you. This includes programs offered through the Farm Service Agency, Natural Resources Conservation Service, and Risk Management Agency. <u>Download the guide here</u>. The guide is also available in Spanish, Hmong, Korean, Vietnamese, Thai and Chinese on <u>farmers.gov/translations</u>.

FSA is Accepting CRP Continuous Enrollment Offers

The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the <u>Conservation Reserve Program (CRP) Continuous Signup</u>.

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program's long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead, they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

For more information, including a list of acceptable practices, contact your local <u>USDA Service</u> <u>Center</u> or visit <u>fsa.usda.gov/crp</u>.

FSA Investing in Resilience

The programs FSA offers can often be the best news possible for a producer living in that uncertainty. In 2023, investments from our programs made positive impacts on the lives of many agricultural producers, including those experiencing distress or those picking up the pieces after natural disasters — investments that will pay dividends for many years to come.

Our dedicated employees delivered more than \$16.9 billion in farm programs and farm loans throughout the year. Some noteworthy accomplishments included helping distressed borrowers, improving our processes and programs, and providing support to our producers in times of hardship. These accomplishments were borne out of our concerted effort to approach our policies and programs with fresh eyes, creative ideas and a common purpose guided by the goal of fairly and equitably delivering the most assistance to the most producers possible.

We're proud of our work in 2023, and our efforts to support our nation's farmers and ranchers complement the hard work of the Biden-Harris Administration over the past three years.

Read more about FSA's successes in 2023 by visiting <u>farmers.gov/blog/fsa-investing-in-resilience</u>.

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 <u>Emergency Relief Program (ERP)</u> 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 <u>emergency relief website</u>.

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. FSA started accepting applications on 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>.

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