

Connecticut Farm Service Agency Newsletter - November 17, 2022

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Message From the State Executive Director

November is a month of remembrance and thanks

On Veteran's Day we honor the service of military Veterans across the US, and with President Biden's recent proclamation, November is now celebrated as National Veterans and Military Families Month. As President Biden stated "To be a veteran or a service member is to have endured and survived challenges most Americans will never know. To be the family of one of those proud patriots is to sacrifice more for our country than most Americans will ever give." Celebrating National Veterans and Military Families Month is paying homage to the

unrelenting bravery and dedication of all who wear the uniform and to the unwavering love and support of all who serve alongside them.

November is also Native American Heritage Month, also referred to as American Indian and Alaska Native Heritage Month. Throughout November, the USDA will celebrate the histories, cultures, and contributions of our nation's first peoples. Let us take this opportunity to honor our Indigenous communities, honor their journey of resilience and unity, and honor indigenous traditional ecological knowledge (ITEK) by acknowledging the fundamental role of ITEK in both the return to and the advancement of sustainable agriculture. Indigenous peoples were the original stewards of the land in Connecticut; they are the practitioners and the knowledge holders of a long history of sustainable methods of agriculture. The Farm Service Agency is committed to making our programs more accessible to Tribal Communities and to place equity consistently, intentionally, and systematically at the center of our workforce.

November is also a month to begin looking forward – a month of actions, changes, and transitions

Inflation Reduction Act Assistance for Distressed Producers -- Last month, I was in Washington DC with FSA State Executive Directors from across our country. While there, the Administration announced Section 22006 of the IRA, which provided \$3.1 billion in funding for USDA to provide assistance for distressed borrowers with at-risk agricultural operations. This funding is being implemented in a manner that reflects and builds on the Biden-Harris Administration's commitment to preventing foreclosures, keeping farmers farming, and removing obstacles that currently prevent many farm loan borrowers from returning to farming.

The first phase has included over \$600 million in payments to direct and guaranteed borrowers who are 60 or more days delinquent to make their loans current. Additionally, foreclosures, loan accelerations and other adverse actions continue to be paused on USDA direct farm loans since early in the Biden-Harris Administration due to the pandemic. USDA also has asked and recently reiterated the request for a similar pause from the private lenders that hold the USDA guaranteed farm loans.

These actions give USDA the time it needs to improve our approach and add new tools to make sure a stumble and fall doesn't leave borrowers stuck in the ditch at no fault of their own.

Appointment of Connecticut FSA State Committee Members -- On October 28th, four additional members of the FSA State Committee were appointed by Secretary of Agriculture Tom Vilsack. The State Committee is responsible for the oversight of farm programs and county committee operations, resolving program delivery appeals from the agriculture community, maintaining cooperative relations with industry stakeholders, keeping producers informed about FSA programs, and operating in a manner consistent with USDA equal opportunity and civil rights policies. The individuals appointed to serve on this committee for Connecticut are:

- Mary Concklin Committee Chair (North Windham)
- Amy Chesmer (Lebanon)
- Shawn Joseph (Bridgeport)
- Will O'Meara (Morris)

These new members join Susan Pronovost (Waterbury) who was previously appointed by Secretary Vilsack in September of 2021.

Just as the State Committee plays a vital role in oversight of FSA programs across Connecticut – your County Committee plays that role at the local level. The 2022 Farm Service Agency County Committee Elections began, Nov. 7, 2022, when ballots were mailed to eligible voters. If you reside in an LAA with a committee seat up for election, please take the time to vote and mail back your ballot! The deadline to return ballots to local FSA offices, or to be postmarked, is Dec. 5, 2022. If you are not sure, please reach out to your local county office.

I find myself continually humbled in my role here at FSA. I am both honored and thankful to serve the great producers across the state and I wish you all a happy and healthy Thanksgiving.

Stay safe,

Emily J. Cole, PhD State Executive Director

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Important Dates to Remember:

November 20, 2022 - Noninsured Crop Disaster Assistance Program (NAP) 2023 Application for Coverage closing dates for Apricots, Aronia, Asparagus, Blueberries, Caneberries, Cherries, Cranberries, Currants, Grapes, Gooseberries, Nectarines, Peaches (in Fairfield County), Pears, Perennial Forage, Plums, and Strawberries.

November 24, 2022 - USDA Service Centers closed in observance of Thanksgiving.

December 5, 2022 - Deadline to return County Committee election ballot

December 9, 2022 - Deadline to enroll for the 2023 Dairy Margin Coverage program.

December 31, 2022 - Noninsured Crop Disaster Assistance Program (NAP) 2023 Application for Coverage closing dates for honey and maple sap.

USDA Provides Payments of nearly \$800 Million in Assistance to Help Keep Farmers Farming

USDA announced that distressed borrowers with qualifying USDA farm loans have already received nearly \$800 million in assistance, as part of the \$3.1 billion in assistance for distressed farm loan borrowers provided through Section 22006 of the Inflation Reduction Act (IRA). The IRA directed USDA to expedite assistance to distressed borrowers of direct or

guaranteed loans administered by USDA's Farm Service Agency (FSA) whose operations face financial risk.

Today's announcement kicks off a process to provide assistance to distressed farm loan borrowers using several complementary approaches, with the goal of keeping them farming, removing obstacles that currently prevent many of these borrowers from returning to farming, and improving the way that USDA approaches borrowing and servicing. Through this assistance, USDA is focused on generating long-term stability and success for distressed borrowers.

Work has already started to bring some relief to distressed farmers. As of today, over 13,000 borrowers have already benefited from the resources provided under the Inflation Reduction Act as follows:

- Approximately 11,000 delinquent direct and guaranteed borrowers had their accounts brought current. USDA also paid the next scheduled annual installment for these direct loan borrowers giving them peace of mind in the near term.
- Approximately 2,100 borrowers who had their farms foreclosed on and still had remaining debt have had this debt resolved in order to cease debt collections and garnishment relieving that burden that has made getting a fresh start more difficult.

In addition to the automatic assistance already provided, USDA has also outlined steps to administer up to an additional \$500 million in payments to benefit the following distressed borrowers:

- USDA will administer \$66 million in separate automatic payments, using COVID-19 pandemic relief funds, to support up to 7,000 direct loan borrowers who used FSA's disaster-set-aside option during the pandemic to move their scheduled payments to the end of their loans.
- USDA is also initiating two case-by-case processes to provide additional
 assistance to farm loan borrowers. Under the first new process, FSA will
 review and assist with delinquencies from 1,600 complex cases, including
 cases in which borrowers are facing bankruptcy or foreclosure. The second
 new process will add a new option using existing direct loan servicing criteria
 to intervene more quickly and help an estimated 14,000 financially distressed
 borrowers who request assistance to avoid even becoming delinquent.

More details on each of the categories of assistance, including a downloadable fact sheet, are available on the Inflation Reduction Act webpage on farmers.gov.

Similar to other USDA assistance, all of these payments will be reported as income and borrowers are encouraged to consult their tax advisors. USDA also has resources and partnerships with cooperators who can provide additional assistance and help borrowers navigate the process.

The announcement today is only the first step in USDA's efforts to provide assistance to distressed farm loan borrowers and respond to farmers and to improve the loan servicing efforts at USDA by adding more tools and relaxing unnecessary restrictions. Additional

announcements and investments in assistance will be made as USDA institutes these additional changes and improvements.

This effort will ultimately also include adding more tools and relaxing unnecessary restrictions through assistance made possible by Congress through the IRA. Further assistance and changes to the approach will be made in subsequent phases.

Background

USDA provides access to credit to approximately 115,000 producers who cannot obtain sufficient commercial credit through direct and guaranteed farm loans, which do not include farm storage facility loans or marketing assistance loans. With the funds and direction Congress provided in Section 22006 of IRA, 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 how USDA goes about loan servicing in the long run so that borrowers are provided the flexibility and opportunities needed to address the inherent risks and unpredictability associated with agricultural operations and remain in good financial standing.

In January 2021, <u>USDA suspended foreclosures</u> and other adverse actions on direct farm loans due to the pandemic and encouraged guaranteed lenders to follow suit. Last week, USDA reiterated this request to guaranteed lenders to provide time for the full set of IRA distressed borrower assistance to be made available before lenders take irreparable actions.

Producers can explore available loan options using the <u>Farm Loan Discovery Tool on farmers.gov</u> (<u>also available in Spanish</u>) or by contacting their <u>local USDA Service Center</u>. Producers can also call the FSA call center at 877-508-8364 between 8 a.m. and 7 p.m. Eastern. USDA has tax-related resources available at <u>farmers.gov/taxes</u>.

2022 Farm Service Agency County Committee Elections Open This Week



December 5 is the Last Day to Return Ballots

The U.S. Department of Agriculture (USDA) began mailing ballots this week for the Farm Service Agency (FSA) county and urban county committee elections to all eligible agricultural producers and private landowners across the country. Elections are occurring in certain Local Administrative Areas (LAA) for these committee members who make important decisions about how federal farm programs are administered locally. Producers and landowners must return ballots to their local FSA county office or have their ballots be postmarked by Dec. 5, 2022, in order for those ballots to be counted.

Producers must participate or cooperate in an FSA program to be eligible to vote in the county committee election. A cooperating producer is someone who has provided information about their farming or ranching operation but may not have applied or received FSA program benefits. Additionally, producers who are not of legal voting age but supervise and conduct farming operations for an entire farm are eligible to vote in these elections.

Each committee has from three to 11 elected members who serve three-year terms, and at least one seat representing an LAA is up for election each year. Ballots must in the mail or delivered in person by close of business Dec. 5, 2022, to be counted. Newly elected committee members will take office Jan. 1, 2023.

Producers can find out if their LAA is up for election and if they are eligible to vote by contacting their local FSA county office. Eligible voters who do not receive a ballot in the mail can request one from their local FSA county office. Visit farmers.gov/service-locator to find your local USDA Service Center and fsa.usda.gov/elections for more information.

More Information

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices,

making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <u>usda.gov</u>.

NRCS Accepting Applications for FY2023 Funding for the Conservation Stewardship Program

Thomas L. Morgart, Connecticut State Conservationist for the USDA-Natural Resources Conservation Service (NRCS) has announced a second application period for the agency's Conservation Stewardship Program (CSP).

CSP is perfect for agricultural producers who want to continue to farm, or forest landowners wanting to manage their forestland, but want to use less resources and have less of an effect on the land. Some of the benefits include increased crop yields, decreased inputs, wildlife population improvements, and better resilience to weather extremes.

Through CSP, NRCS helps private landowners build their business while implementing conservation practices that help ensure the sustainability of their entire operation. Agricultural producers and forest landowners earn payments for actively managing, maintaining, and expanding conservation activities such as cover crops, ecologically-based pest management, buffer strips, and pollinator and beneficial insect habitat – all while maintaining active agricultural production on their land. CSP also encourages the adoption of cutting-edge technologies and new management techniques such as precision agriculture applications, onsite carbon storage and planting for high carbon sequestration rates, and new soil amendments to improve water quality.

The program helps producers better evaluate conservation options and benefits to their operations, as well as to our natural resources. Methods and software for evaluating applications help producers see why they are – or are not – meeting stewardship thresholds and allow them to pick practices that work for their objectives. These tools also enable them to see potential payment scenarios for conservation early in the process.

While applications for CSP are accepted year-round, to be considered for FY2023 funds they must be received by December 16, 2022.

Interested? Find out if you're qualified for CSP by contacting your <u>local USDA service</u> <u>center</u> or visiting the <u>How to Get Assistance</u> portion of our website.

Dairy Producers Can Now Enroll for 2023 Signup for Dairy Margin Coverage

Dairy producers can now enroll for 2023 coverage through the Dairy Margin Coverage (DMC) Program, an important safety net program from the U.S. Department of Agriculture (USDA) that helps producers manage changes in milk and feed prices. Last year, USDA's Farm

Service Agency (FSA) took steps to improve coverage, especially for small- and mid-sized dairies, including offering a new Supplemental DMC program and updating its feed cost formula to better address retroactive, current and future feed costs. These changes continue to support producers through this year's signup, which begins today and ends Dec. 9, 2022.

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.

So far in 2022, DMC payments to more than 17,000 dairy operations have triggered for August for more than \$47.9 million. According to DMC margin projections, an indemnity payment is projected for September as well. At \$0.15 per hundredweight for \$9.50 coverage, risk coverage through DMC is a relatively inexpensive investment.

DMC offers different levels of coverage, even an option that is free to producers, aside from a \$100 administrative fee. Limited resource, beginning, socially disadvantaged or a military veteran farmers or ranchers are exempt from paying the administrative fee, if requested. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the online dairy decision tool.

Supplemental DMC

Last year, USDA introduced Supplemental DMC, which provided \$42.8 million in payments to better help small- and mid-sized dairy operations that had increased production over the years but were not able to enroll the additional production. Supplemental DMC is also available for 2023.

Supplemental DMC coverage is applicable to calendar years 2021, 2022 and 2023. Eligible dairy operations with less than 5 million pounds of established production history may enroll supplemental pounds.

For producers who enrolled in Supplemental DMC in 2022, the supplemental coverage will automatically be added to the 2023 DMC contract that previously established a supplemental production history.

Producers who did not enroll in Supplemental DMC in 2022 can do so now. Producers should complete their Supplemental DMC enrollment before enrolling in 2023 DMC. To enroll, producers will need to provide their 2019 actual milk marketings, which FSA uses to determine established production history.

DMC Payments

Additionally, FSA will continue to calculate DMC payments 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 rather than 50%. The benefits of these feed cost adjustments were realized in the recent August 2022 margin payment as current high feed and premium hay costs were considered in payment calculations.

More Information

In addition to DMC, USDA offers other risk management tools for dairy producers, including the <u>Dairy 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 livestock minus the feed costs. Both DRP and LGM livestock insurance policies are offered through the Risk Management Agency. Producers should contact their local crop insurance agent for more information.

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

Farmers Can Now Make 2023 Crop Year Elections, Enroll in Agriculture Risk Coverage and Price Loss Coverage Programs

Agricultural producers can now change election and enroll in the <u>Agriculture Risk Coverage</u> (ARC) and <u>Price Loss Coverage</u> programs for the 2023 crop year, two key safety net programs offered by the U.S. Department of Agriculture (USDA). Signup began Monday, and producers have until March 15, 2023, to enroll in these two programs. Additionally, USDA's Farm Service Agency (FSA) has started issuing payments totaling more than \$255 million to producers with 2021 crops that have triggered payments through ARC or PLC.

2023 Elections and Enrollment

Producers can elect coverage and enroll in ARC-County (ARC-CO) or PLC, which provide crop-by-crop protection, or ARC-Individual (ARC-IC), which protects the entire farm. Although election changes for 2023 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm and makes an election change for 2023, they must sign a new contract.

If producers do not submit their election by the March 15, 2023 deadline, their election remains the same as their 2022 election for crops on the farm. Farm owners cannot enroll in either program unless they have a share interest in the farm.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- Gardner-farmdoc Payment Calculator, a tool available through the University of Illinois allows producers to estimate payments for farms and counties for ARC-CO and PLC.
- ARC and PLC Decision Tool, a tool available through Texas A&M that allows
 producers to obtain basic information regarding the decision and factors that

should be taken into consideration such as future commodity prices and historic yields to estimate payments for 2022.

2021 Payments and Contracts

ARC and PLC payments for a given crop year are paid out the following fall to allow actual county yields and the Market Year Average prices to be finalized. This month, FSA processed payments to producers enrolled in 2021 ARC-CO, ARC-IC and PLC for covered commodities that triggered for the crop year.

For ARC-CO, producers can view the <u>2021</u> ARC-CO Benchmark Yields and Revenues online database, for payment rates applicable to their county and each covered commodity. For PLC, payments have triggered for rapeseed and peanuts.

For ARC-IC, producers should contact their local FSA office for additional information pertaining to 2021 payment information, which relies on producer-specific yields for the crop and farm to determine benchmark yields and actual year yields when calculating revenues.

By the Numbers

In 2021, producers signed nearly 1.8 million ARC or PLC contracts, and 251 million out of 273 million base acres were enrolled in the programs. For the 2022 crop year signed contracts surpassed 1.8 million, to be paid in the fall of 2023, if a payment triggers.

Since ARC and PLC were first authorized by the 2014 Farm Bill and reauthorized by the 2018 Farm Bill, these safety-net programs have paid out more than \$34.9 billion to producers of covered commodities.

Crop Insurance Considerations

ARC and PLC are part of a broader safety net provided by USDA, which also includes crop insurance and marketing assistance loans.

Producers are reminded that ARC and PLC elections and enrollments can impact eligibility for some crop insurance products.

Producers on farms with a PLC election have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider; however, producers on farms where ARC is the election are ineligible for SCO on their planted acres for that crop on that farm.

Unlike SCO, the Enhanced Coverage Option (ECO) is unaffected by an ARC election. Producers may add ECO regardless of the farm program election.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres for that farm.

More Information

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

USDA announces details for the upcoming Census of Agriculture

America's farmers and ranchers will soon have the opportunity to be represented in the nation's only comprehensive and impartial agriculture data for every state, county and territory. The U.S. Department of Agriculture (USDA) will mail the 2022 Census of Agriculture to millions of agriculture producers across the 50 states and Puerto Rico this fall.

The 2022 Census of Agriculture will be mailed in phases, starting with an invitation to respond online in November followed by paper questionnaires in December. Farm operations of all sizes, urban and rural, which produced and sold, or normally would have sold, \$1,000 or more of agricultural product in 2022 are included in the ag census.

Collected in service to American agriculture since 1840 and now conducted every five years by USDA's National Agricultural Statistics Service (NASS), the Census of Agriculture tells the story and shows the value of U.S. agriculture. It highlights land use and ownership, producer characteristics, production practices, income and expenditures, among other topics. Between ag census years, NASS considers revisions to the questionnaire to document changes and emerging trends in the industry. Changes to the 2022 questionnaire include new questions about the use of precision agriculture, hemp production, hair sheep, and updates to internet access questions.

To learn more about the Census of Agriculture, visit nass.usda.gov/AgCensus or call 800-727-9540. On the website, producers and other data users can access frequently asked questions, past ag census data, partner tools to help spread the word about the upcoming ag census, special study information, and more. For highlights of these and the latest information on the upcoming Census of Agriculture, follow USDA NASS on twitter <a href="mailto:question-nass-up-

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.

USDA Previews Crop and Revenue Loss Assistance for Agricultural Producers

New Programs Will Provide Additional Pandemic and Natural Disaster Assistance for 2020 and 2021; Deadline Announced for Previous Emergency Relief

Agriculture Secretary Tom Vilsack today announced plans for additional emergency relief and pandemic assistance from the U.S. Department of Agriculture (USDA). USDA is preparing to roll out the Emergency Relief Program (ERP) Phase Two as well as the new Pandemic Assistance Revenue Program (PARP), which are two programs to help offset crop and revenue losses for producers. USDA is sharing early information to help producers gather documents and train front-line staff on the new approach.

ERP Phase Two will assist eligible agricultural producers who suffered eligible crop losses, measured through decreases in revenue, due to wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture and qualifying droughts occurring in calendar years 2020 and 2021.

PARP will assist eligible producers of agricultural commodities who experienced revenue decreases in calendar year 2020 compared to 2018 or 2019 due to the COVID-19 pandemic. PARP will help address gaps in previous pandemic assistance, which was targeted at price loss or lack of market access, rather than overall revenue losses.

Emergency Relief Program Phase Two

ERP is authorized under the *Extending Government Funding and Delivering Emergency Assistance Act*, which includes \$10 billion in assistance to agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021.

Phase Two builds on ERP Phase One, which was <u>rolled out in May 2022</u> and has since paid more than \$7.1 billion to producers who incurred eligible crop losses that were covered by federal crop insurance or Non-insured Crop Disaster Assistance Program.

ERP Phase Two includes producers who suffered eligible losses but may not have received program benefits in Phase One. To be eligible for Phase Two, producers must have suffered a loss in allowable gross revenue as defined in forthcoming program regulations in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event.

Eligible crops include both traditional insurable commodities and specialty crops that are produced in the United States as part of a farming operation and are intended to be commercially marketed. Like other emergency relief and pandemic assistance programs, USDA's Farm Service Agency (FSA) continues to look for ways to simplify the process for both staff and producers while reducing the paperwork burden. The design of ERP Phase Two is part of that effort.

In general, ERP Phase Two payments are expected to be based on the difference in certain farm revenue between a typical year of revenue as will be specified in program regulations for the producer and the disaster year. ERP Phase Two assistance is targeted to the remaining needs of producers impacted by qualifying natural disaster events, while avoiding windfalls or duplicative payments. Details will be available when the rule is published later this year.

Deadline for Emergency Relief Program Phase One

Producers who are eligible for assistance through ERP Phase One have until Friday, Dec. 16, 2022, to contact FSA at their local <u>USDA Service Center</u> to receive program benefits. Going forward, if any additional ERP Phase One prefilled applications are generated due to corrections or other circumstances, there will be a 30-day deadline from the date of notification for that particular application.

Pandemic Assistance Revenue Program

PARP is authorized and funded by the Consolidated Appropriations Act of 2021.

To be eligible for PARP, an agricultural producer must have been in the business of farming during at least part of the 2020 calendar year and had a certain threshold decrease in allowable gross revenue for the 2020 calendar year, as compared to 2018 or 2019. Exact

details on the calculations and eligibility will be available when the forthcoming rule is published.

How Producers Can Prepare

ERP Phase Two and PARP will use revenue information that is readily available from most tax records. FSA encourages producers to have their tax documents from the past few years and supporting materials ready, as explained further below. Producers will need similar documentation to what was needed for the Coronavirus Food Assistance Program (CFAP) Phase Two, where a producer could use 2018 or 2019 as the benchmark year relative to the disaster year.

In the coming weeks, USDA will provide additional information on how to apply for assistance through ERP Phase Two and PARP. In the meantime, producers are encouraged to begin gathering supporting documentation including:

- 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.

Producers should also have, or be prepared to have, the following forms on file for both ERP and PARP program participation:

- Form AD-2047, *Customer Data Worksheet* (as applicable to the program participant);
- Form CCC-902, Farm Operating Plan for an individual or legal entity;
- Form CCC-901, Member Information for Legal Entities (if applicable); and
- Form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification.

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 should contact FSA at their local USDA Service Center.

In addition to the forms listed above, underserved producers are encouraged to register their status with FSA, using Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, as certain existing permanent and ad-hoc disaster programs provide increased benefits or reduced fees and premiums.

Through proactive communications and outreach, USDA will keep producers and stakeholders informed as program eligibility, application and implementation details unfold.

Submit Loan Requests for Financing Early

The Farm Loan team in Connecticut is already working on operating loans for spring 2023 and asks potential borrowers to submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

USDA Releases Nationwide Farmer, Rancher and Forest Manager Prospective Customer Survey



USDA needs your vital feedback to make programs more accessible, equitable and easier to use

Are you a farmer, rancher or forest manager? Please share your vital feedback with USDA by taking a nationwide survey at farmers.gov/survey! The survey is completely anonymous, will take about 10 minutes to complete, is available in multiple languages, and will be open until March 31, 2023. The survey focuses on gathering feedback about the Farm Service Agency, Natural Resources Conservation Service and Risk Management Agency.

All farmers, ranchers and forest managers are encouraged to take the survey. USDA would especially like to hear from prospective customers: those who don't know about USDA or have yet to work with USDA, and those who were unable to participate in the past. The survey will help USDA enhance support, improve programs and services, increase access, and advance equity for new and existing customers.

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

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