

Connecticut Farm Service Agency Newsletter - January 24, 2023

In This Issue:

- Message From the State Executive Director
- 2023 Dairy Margin Coverage Deadline Extended Jan. 31, 2023, Last Day to Enroll
- Guide Available for Underserved Farmers, Ranchers
- <u>USDA Announces Assistance for On-Farm Food Safety Expenses for Specialty Crop Growers</u>
- <u>USDA Launches Loan Assistance Tool to Enhance Equity and Customer Service</u>
- <u>Updates to Crop Insurance Plans Broaden Access for Specialty Crop,</u>
 <u>Organic, Direct Market and Other Producers</u>
- The 2022 Census of Agriculture is Underway

Message From the State Executive Director

Happy New Year! As with the start of each new year – there is much to look forward to and much to plan. Before seed orders and equipment repairs take over your full attention, please take some time to reach out to your local FSA office to learn more about current and upcoming programs.

A few new and notable are:

- New disaster assistance programs Emergency Relief Program (ERP) Phase Two
 and the Pandemic Assistance Revenue Program (PARP) which the USDA previewed
 back in 2022. These programs are new, revenue loss-based programs intended to fill
 gaps in assistance programs previously delivered for substantial disaster and
 pandemic related losses.
- Producers can also apply through FSA for 2022 assistance through the <u>Food Safety Certification for Specialty Crops</u> Program (FSCSC) until January 31. FSCSC assists specialty crop operations that incur eligible on-farm food safety program expenses related to food safety certification.
- Additionally, the USDA has extended the deadline for producers to enroll in Dairy Margin Coverage (DMC) and Supplemental Dairy Margin Coverage (SDMC) for program year 2023 to January 31, 2023. Please don't miss this opportunity to enroll.
- Census of Agriculture responses are due February 6. By completing the survey, producers can tell their story and generate opportunities that better serve current and

future generations of producers. The questionnaire can be completed at https://www.nass.usda.gov/AgCensus/.

- The Non-Insured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops to protect against natural disasters that result in lower yields or crop losses or prevents crop planting. Under new rules, underserved producers will be eligible for basic NAP coverage anytime a valid CCC860 certification is completed. The CCC-860 form will serve as the NAP application for coverage. Please reach out to your county office for more information.
- Reminder that February 15th is the deadline for acreage reporting for maple taps.

Lastly, I want to extend a congratulations to all newly elected County Committee members across Connecticut and a thank you to all COC members for serving their local communities in such a vital way.

As always, FSA staff at your local USDA Service Center are here to help you.

Wishing you a happy and fruitful 2023,

Emily J. Cole, PhD State Executive Director

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2023 Dairy Margin Coverage Deadline Extended – Jan. 31, 2023, Last Day to Enroll

USDA extended the deadline for producers to enroll in Dairy Margin Coverage (DMC) and Supplemental Dairy Margin Coverage (SDMC) for program year 2023 to Jan. 31, 2023.

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.

Nearly 18,000 operations that enrolled in DMC for 2022 have received margin payments for August and September for a total of \$76.3 million. 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, and military veteran farmers and 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. The enrollment period for 2023 Supplemental DMC is also extended to Jan. 31, 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

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%. For more information on DMC, visit the DMC webpage or contact your local USDA Service Center.

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. Download the guide here. The guide is also available in Spanish, Hmong, Korean, Vietnamese, Thai and Chinese on farmers.gov/translations.

USDA Announces Assistance for On-Farm Food Safety Expenses for Specialty Crop Growers

Agriculture Secretary Tom Vilsack announced that the U.S. Department of Agriculture (USDA) plans to provide up to \$200 million in assistance for specialty crop producers who incur eligible on-farm food safety program expenses to obtain or renew a food safety certification in calendar years 2022 or 2023. USDA's new Food Safety Certification for Specialty Crops (FSCSC) program will help to offset costs for specialty crop producers to comply with regulatory requirements and market-driven food safety certification requirements, which is part of USDA's broader effort to transform the food system to create a more level playing field for small and medium producers and a more balanced, equitable economy for everyone working in food and agriculture.

Specialty crop operations can apply for assistance for eligible expenses related to a 2022 food safety certificate issued on or after June 21, 2022, beginning June 27, 2022. USDA is delivering FSCSC to provide critical assistance for specialty crop operations, with an emphasis on equity in program delivery while building on lessons learned from the COVID-19 pandemic and supply chain disruptions. Vilsack made the announcement from Hollis, N.H., where he toured a local, family-owned farm and highlighted USDA's efforts to help reduce costs for farmers and support local economies by providing significant funding to cut regulatory costs and increase market opportunities for farmers in New Hampshire and across the nation.

Program Details

FSCSC will assist specialty crop operations that incurred eligible on-farm food safety certification and related expenses related to obtaining or renewing a food safety certification in calendar years 2022 and 2023. For each year, FSCSC covers a percentage of the specialty crop operation's cost of obtaining or renewing their certification, as well as a portion of their related expenses.

To be eligible for FSCSC, the applicant must be a specialty crop operation; meet the definition of a small business or very small business; and have paid eligible expenses related to the 2022 (issued on or after June 21, 2022) or 2023 certification.

Specialty crop operations may receive assistance for the following costs:

- Developing a food safety plan for first-time food safety certification.
- Maintaining or updating an existing food safety plan.
- Food safety certification.
- Certification upload fees.
- Microbiological testing for products, soil amendments and water.
- Training.

FSCSC payments are calculated separately for each category of eligible costs. A higher payment rate has been set for socially disadvantaged, limited resource, beginning and veteran farmers and ranchers. Details about the payment rates and limitations can be found at farmers.gov/food-safety.

Applying for Assistance

The FSCSC application period for 2022 is June 27, 2022, through January 31, 2023, and the application period for 2023 will be announced at a later date. FSA will issue payments at the time of application approval for 2022 and after the application period ends for 2023. If calculated payments exceed the amount of available funding, payments will be prorated.

Interested specialty crop producers can apply by completing the FSA-888, Food Safety Certification for Specialty Crops Program (FSCSC) application. The application, along with other required documents, can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means.

Producers can visit <u>farmers.gov/food-safety</u> for additional program details, eligibility information and forms needed to apply.

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 <u>Loan Assistance Tool</u> 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.

Updates to Crop Insurance Plans Broaden Access for Specialty Crop, Organic, Direct Market and Other Producers

USDA is improving two of its most comprehensive risk management safety net programs, Whole-Farm Revenue Protection (WFRP) and Micro Farm, making them more accessible to America's agricultural producers. This includes doubling the maximum insurable revenue under WFRP, now \$17 million, more than tripling the size of farm operations eligible for Micro Farm, now \$350,000 and reducing paperwork requirements for WFRP. These improvements are in direct response to feedback from stakeholders as USDA's Risk Management Agency (RMA) recognizes the important role these insurance options play for many producers, including specialty crop, organic and direct market producers.

Whole-Farm Revenue Protection

The <u>WFRP</u> program provides protection for all eligible commodities on a farm under one insurance policy. Now, producers can insure up to \$17 million in revenue (formerly \$8.5 million).

Other updates to WFRP include:

Allowing a producer to report and self-certify yield at the beginning of the year for commodities without other insurance options in a way similar to those with individual crop policies. This will significantly reduce the amount of paperwork required to apply for WFRP.

Eliminating expense reporting to reduce paperwork burden. In place of expense reporting, WFRP will reduce the expected revenue of commodities a producer is unable to plant to 60%, similar to prevented planting for other programs.

These updates build on others recently made to WFRP, including <u>expanded coverage and flexibilities for organic producers</u>.

Micro Farm

The Micro Farm program, offered through WFRP, provides a risk management safety net for all eligible commodities on a farm under one insurance policy, but on a smaller scale. Now, producers with farm operations up to \$350,000 in approved revenue (formerly \$100,000) can get coverage. RMA introduced the new Micro Farm program in 2021 to better serve direct market and small-scale producers. While the program is well received and feedback has been largely positive, industry partners and small, diversified producers have informed RMA that the current limit is too low to meet the needs of many interested producers. In response, the FCIC approved the increase in size for eligible farm operations.

The updates to WFRP and Micro Farm take effect 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 RMA Agent Locator. Learn more about crop insurance and the modern farm safety net at rma.usda.gov.

The 2022 Census of Agriculture is Underway

America's farmers and ranchers now have the opportunity to be represented in the nation's only comprehensive and impartial agriculture data for every state, county and territory. USDA has mailed the 2022 Census of Agriculture to all known agriculture producers across the nation and Puerto Rico. Producers have the option to respond securely and conveniently online at agcounts.usda.gov or by mail. The deadline for response is Feb. 6, 2023.

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. The data inform decisions about business, programs, rural development, research, and more. These are things that directly impact producers, and better data can lead to better decisions. That is why it is so important for every producer's voice to be counted.

Responding to the Census of Agriculture is required by law under Title 7 USC 2204(g) Public Law 105-113. The same law requires NASS to keep personally-identifiable information confidential, to use the data only for statistical purposes, and only publish in aggregate form to prevent disclosing the identity of any individual producer or farm operation. NASS will release the results of the ag census in 2024.

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 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 Qusda nass.

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