

Connecticut FSA February Newsletter - February 8, 2023

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Message From the State Executive Director

February is Black History Month

Black History Month provides an opportunity for our country to celebrate generations of Black Americans whose courage, advocacy, and patriotism have enriched our communities and strengthened our country. In honor of Black History Month, we here in Connecticut join President Biden and all Americans in recognizing the innumerable contributions, beautiful legacy, and bright future of Black Americans. Our celebration of Black contributions is not something that only deserves to be highlighted this month. That's why, 365 days a year, we will continue to value and support the rich and substantive contributions of Black Americans to food, agriculture, forestry, and science for many years to come.

Reflecting on 2022

Over the past two years, groundbreaking legislation has laid the foundation to build a profitable, sustainable, and resilient economy that benefits small, mid-sized, and large producers, alike. "As part of these historic achievements, USDA is working to build the economy from the bottom up and the middle out and, transform our food system so that it works for everyone and creates economic opportunity for all of our farmers, ranchers, and foresters, not just the few." says Agriculture Secretary Tom Vilsack.

- The American Rescue Plan Act (ARPA) provided USDA with more than \$1 billion in funds to ensure underserved producers have the resources, tools, programs, and technical support they need to succeed.
- The Inflation Reduction Act (IRA) is a once-in-a-generation opportunity to build critical infrastructure, protect communities from wildfire and extreme heat, and drive climatesmart agriculture and renewable energy initiatives nationwide.
- Through the landmark Bipartisan Infrastructure Law (BIL) USDA fixes roads and bridges, improves water quality, brings affordable, high-speed internet access to rural areas, and makes climate-smart investments in partnership with agriculture, forestry, tribes, businesses, and communities.

Looking ahead to 2023

FSA has a lot of work ahead to roll out the programs and funding opportunities the Biden-Harris Administration has helped create. With that I want to share with you all this message from FSA Administrator Zach Ducheneaux: "For 2023, FSA remains committed to continually evaluating how we can deliver our programs in a manner that is meaningful to the farmers and ranchers we serve and demonstrates our ongoing dedication to improving customer service and enhancing equity in program delivery."

Our CT FSA staff have been hard at work preparing and training to support the roll out of new programs and significant changes to current programming. Phase Two of the Emergency Relief Program (ERP) and the Pandemic Assistance Revenue Program. These programs are new, revenue loss-based programs intended to fill gaps in assistance programs previously delivered for substantial disaster and pandemic related losses. Both are now accepting application and we are here to help you navigate these new programs.

With the deep freeze that swept through our state on Groundhog Day, many of us look forward to Spring which is only 7 weeks away. Please note that the sub-zero temperatures of last week may have impacts that will not be seen for some time, but if you do suffer yield loss due to freeze damage FSA will be here to assist you if there are.

Unfortunately, we cannot know how the seasons will unfold as climate change makes our weather patterns increasingly unpredictable. So, while you are planning and hoping for the best, FSA has many disaster programs to assist you when it does not go as planned. Now is a great time to reach out to the FSA staff at your <u>local USDA Service Center</u> and learn about our many disaster assistance programs.

As always, FSA staff are here to help you.

Emily J. Cole, PhD State Executive Director

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Dates to Remember:

February 10, 2023 - Deadline to certify status as underserved for 2020 program year.

March 15, 2023 - NAP application closing date for spring seeded crops.

March 15, 2023 - ARC/PLC enrollment deadline.

June 2, 2023 - ERP Phase 2 application deadline.

June 2, 2023 - PARP application deadline.

Rolling Out Revenue Based Disaster and Pandemic Assistance Programs

Beginning January 23, 2023, agricultural producers can begin to apply for two new important programs for revenue losses, from 2020 and 2021 natural disasters or the COVID-19 pandemic. Both programs equitably fill gaps in earlier assistance.

First, you may be eligible for assistance through the <u>Emergency Relief Program (ERP)</u> Phase Two if you experienced revenue losses from eligible natural disasters in 2020 and 2021. ERP Phase Two is for producers who didn't receive assistance from ERP Phase One.

You may also be eligible for the <u>Pandemic Assistance Revenue Program</u> (PARP) if you experienced revenue losses in calendar year 2020. PARP is addressing gaps in previous pandemic assistance, which was targeted at price loss or lack of market access, rather than overall revenue losses.

Applications for both new programs are due June 2, 2023, and you can apply for both programs during your same appointment with USDA's Farm Service Agency (FSA).

Historically, FSA programs have been designed to make direct payments to producers based on a single disaster event or for a single commodity loss. For many of you, this may be the first revenue-based program that you've applied for with FSA.

Why revenue-based programs?

ERP Phase Two and PARP take a much more holistic approach to disaster assistance, ensuring that producers not just make it through a single growing season but have the financial stability to invest in the long-term well-being of their operations and employees.

In general, ERP Phase Two payments are based on the difference in allowable gross revenue between a benchmark year, representing a typical year of revenue for the producer and the disaster year – designed to target the remaining needs of producers impacted by qualifying natural disasters and avoid duplicative payments. ERP Phase Two revenue loss is based on tax years.

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 decrease in revenue for the 2020 calendar year, as compared to a typical year. PARP revenue loss is based on calendar years.

How to Apply

In preparation for enrollment, producers should gather 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.
- 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.

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.

Yes, FSA is stepping outside of the box.

FSA is a big proponent of agricultural producers having a say in the design, implementation and delivery of the programs that directly impact their livelihoods. We also believe that some of the most creative and useful ideas for program and process improvements come from the FSA employees who administer this assistance through our network of more than 2,100 county offices. We want to thank producers across the country, along with the entire FSA workforce, for not just thinking outside of the box but also providing their input to make sure that we can improve and enhance our programs and our approach to assistance to better and more efficiently serve all producers who need our help.

Please visit your local USDA Service Center for more information on ERP Phase Two, PARP and our full portfolio of conservation, prices support, safety-net, credit and disaster assistance programs.

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

The U.S. Department of Agriculture (USDA) offers features on the <u>farmers.gov</u> website designed to help facilitate the employment of H-2A workers.

USDA's goal is to help farmers navigate the complex H-2A program that is administered by Department of Labor, Department of Homeland Security, and the State Department so hiring a farm worker is an easier process.

The primary new H-2A features on Farmers.gov include:

- A real-time dashboard that enables farmers to track the status of their eligible employer application and visa applications for temporary nonimmigrant workers;
- Streamlining the login information so if a farmer has an existing login.gov account they can save multiple applications tracking numbers for quick look-up at any time;
- Enables easy access to the Department of Labor's (DOL) Foreign Labor Application Gateway (FLAG);
- Allows farmers to track time-sensitive actions taken in the course of Office of Foreign Labor Certification's (OFLC) adjudication of temporary labor certification applications;
- Allowing for farmers to access all application forms on-line.

All information can be found at www.farmers.gov/manage/h2a.

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where customers can apply for programs, process transactions and manage accounts. With feedback from customers and field employees who serve those customers, <u>farmers.gov</u> delivers farmer-focused features through an agile, iterative process to deliver the greatest immediate value to America's agricultural producers – helping farmers and ranchers do right, and feed everyone.

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</u> <u>Coverage</u> (ARC) and Price Loss Coverage programs for the 2023 crop year, two key safety net programs offered by the U.S. Department of Agriculture (USDA). Signup began Oct. 17, 2022, 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 Reminds Producers of Continuous Certification Option for Perennial Forage

The U.S. Department of Agriculture (USDA) reminds agricultural producers with perennial forage crops of an option to report their acreage once, without having to report that acreage in subsequent years, as long as there are no applicable changes on the farm. Interested producers can select the continuous certification option after USDA's Farm Service Agency (FSA) certifies their acreage report.

An acreage report documents a crop grown on a farm or ranch and its intended uses, including perennial crops like mixed forage, birdsfoot trefoil, chicory/radicchio, kochia (prostrata), lespedeza, perennial peanuts and perennial grass varieties. To access many USDA programs, producers must file an accurate and timely acreage report for all crops and land uses, including failed acreage and prevented planting acreage.

The perennial crop continuous certification process requires a producer to initially complete an acreage report certifying the perennial crop acreage. The producer may select the continuous certification option any time after the crop is certified. Once the continuous certification option is selected, the certified acreage will roll forward annually and does not require additional action on the producer's part in subsequent years unless the acreage report changes.

Once an producer selects continuous certification, then continuous certification is appliable to all fields on the farm for the specific crop, crop type and intended use. If continuous

certification is selected by any producers sharing in the crop, then the continuous certification is appliable to fields in which the producer has a share for the specific crop, crop type and intended use.

Producers can opt out of continuous certification at any time. The continuous certification will terminate automatically if a change in the farming operation occurs.

How to File a Report

To file a crop acreage report, producers need to provide:

- Crop and crop type or variety.
- Intended use of the crop.
- Number of acres of the crop.
- Map with approximate boundaries for the crop.
- Planting date(s).
- Planting pattern, when applicable.
- Producer shares.
- Irrigation practice(s).
- Acreage prevented from planting, when applicable.
- Other information as required.

More Information

Producers can contact their local FSA office to see if their crops are eligible for continuous certification or to make an appointment. Producers can make an appointment to report acres by contacting their local USDA Service Center.

USDA Invests \$2.2 Million in Risk Management Education for Farmers, Including Historically Underserved and Small-scale

USDA announced it is awarding \$2.2 million to 16 organizations to educate historically underserved producers, small-scale farmers and others on farm risk management and climate-smart farm practices. The funding from USDA's Risk Management Agency (RMA) provides the resources for organizations, such as nonprofits and universities, to develop training and resources for producers on risk management options.

This \$2.2 million investment for 2022 builds on a <u>nearly \$1 million investment in 2021</u>. RMA advertised available funding in January 2022, and more than 50 organizations applied. Successful applicants provided comprehensive summary of work statements and budgets, and proposals that demonstrated an ability to partner with other entities to deliver training.

Organizations receiving funding this year include nonprofits, historically black colleges and universities, and university extensions, among others.

For example, the University of Arkansas at Pine Bluff will use the funding to provide financial, legal, and marketing risk education to underserved producers and limited resource producers in eastern and southwestern Arkansas.

In addition to the University of Pine Bluff at Arkansas, other recipients include:

- The University of Arizona Provides risk management training to growers on Tribal lands in Arizona and New Mexico.
- Napa Valley Grape Growers Trains wine-grape producers to mitigate risks related to climate change, drought, and pest and disease risk.
- Up In Farms Provides training on whole farm and micro farm policies to African American growers in Mississippi.
- Rural South Institute Educates African American producers on the basics of crop insurance and financial risk management in Alabama, Georgia, and Mississippi.
- AgriLogic Consulting LLC Delivers risk management, recordkeeping, and crop insurance training to veterans, new farmers, and others in North Carolina, Oklahoma, Tennessee, Texas.
- Adelante Mujeres Provides regenerative agriculture courses, quarterly workshops, farm field trips, and one-on-one sessions for Hispanic growers in Oregon.
- Michigan State University Offers in-person networking and resource events for African American, beginning, and urban farmers to meet educators, lenders, and assistance providers.
- lowa Organic Association Provides technical support for organic farmers seeking support and guidance about crop insurance, lending resources, and production mentorship.
- MCL Jasco Trains African American and beginning producers in Mississippi on financial management, farm financial benchmarking, crop insurance, and marketing contracts.
- Alabama A&M University Trains African American and veteran producers on crop insurance, risk management tools and strategies, with hands-on educational outreach program.
- Center for Rural Affairs Focuses training on cover crops and relay cropping, new and existing related coverage options, and cost share options in Iowa, Nebraska, and Wisconsin.
- The Gleaning Network of Texas Provides targeted risk management assistance to direct marketing farmers in North Texas, with an emphasis on specialty crop growers.
- RightRisk LLC Delivers crop insurance and other risk management training to beginning producers in Alaska
- Organic Trade Association Creates durable educational materials for organic producers in 19 states, including videos, online courses, podcasts, and webinars on crop insurance.

• Farm Commons - Provides intimate peer-to-peer learning format farmers prefer with the wide reach and constant availability of a podcast.

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.

USDA Updates Crop Insurance to Respond to Producer Needs, Support Conservation and Climate Mitigation Efforts

The U.S. Department of Agriculture (USDA) is making updates to crop insurance to respond to the needs of agricultural producers, including organic producers, as well as to support conservation of natural resources on agricultural land.

Specifically, USDA's Risk Management Agency (RMA) is making permanent a new provision that allows producers to hay, graze or chop cover crops and still receive a full prevented planting payment. To accommodate the different farming practices across the country, RMA is also increasing flexibility related to the prevented planting "1 in 4" requirement, as well as aligning crop insurance definitions with USDA's National Organic Program.

Haying, Grazing, and Chopping of Cover Crops

In July, RMA announced producers can <u>hay, graze, or chop cover crops for silage, haylage, or baleage at any time</u> and still receive 100% of the prevented planting payment. Previously, cover crops could only be hayed, grazed or chopped after Nov. 1. Otherwise, the prevented planting payment was reduced by 65% if producers took those actions on the cover crop.

RMA added this flexibility starting with the 2021 crop year as part of a broader effort to encourage producers to use cover crops, an important conservation and good farming practice. Cover crops are especially important on fields prevented from being planted because they cover ground that would otherwise be left bare, which helps reduce soil erosion, boost soil health and increase soil carbon sequestration.

This change builds on the advanced research and identified benefits cover crops have supporting healthy soils and cropland sustainability efforts. Studies also show that cover crops provide increased corn and soybean yields. While results vary by region and soil type, cover crops are proven to reduce erosion, improve water quality and increase the health and productivity of the soil while building resilience to climate change. Additionally, RMA provided a premium benefit to producers who planted cover crops through the Pandemic Cover Crop Program to help producers maintain cover crop systems amid the financially challenging pandemic.

"1 in 4" Requirement Flexibilities

For the 2020 crop year, RMA implemented a policy stating that for land to be eligible for prevented planting coverage, the acreage must meet the "1 in 4" requirement, which means the land must be planted, insured and harvested in at least one of the four most recent crop

years. Now, RMA is adding flexibilities to recognize different farming practices and crops grown, as well as the availability of risk management options.

New flexibilities allowed in order to meet the "1 in 4" requirement include:

- The annual regrowth for an insured perennial crop, such as alfalfa, red clover, or mint, to be considered planted.
- Allow a crop covered by the Noninsured Crop Disaster Assistance Program (NAP) to meet the insurability requirement.
- If crop insurance or NAP coverage was not available, allow the producer to prove the acreage was planted and harvested using good farming practices in at least two consecutive years out of the four previous years to meet the insurability requirement.

Aligning Organic Terms

RMA is revising four organic definitions to be consistent with USDA's National Organic Program. Consistency across USDA programs is important to eliminate the potential for confusion between the various programs that USDA is committed to providing to the producers.

This change builds on other RMA efforts to expand and improve current options for organic producers. In Sept. 2021, RMA announced several <u>updates to Whole-Farm Revenue</u> <u>Protection (WFRP)</u>, including increasing farm operation growth limits for organic producers to the higher of \$500,000 or 35% over the five-year average allowable income, and to allowing a producer to report acreage as certified organic, or as acreage in transition to organic, when the producer has requested an organic certification by the acreage reporting date. In addition, RMA announced it will be offering the new Micro Farm policy through WFRP that specifically targets coverage for small, diversified farmers, including organic growers.

Other Changes

RMA made other changes to Common Crop Insurance Policy Basic Provisions, Area Risk Protection Insurance Regulations, Coarse Grains Crop Insurance Provisions, and other insurance provisions, which published today:

- RMA is providing an option for producers to delay measurement of farm-stored production for 180-days through the Special Provisions, similar to flexibilities already available to grain crop producers.
- RMA added earlage and snaplage as an acceptable method of harvest for coarse grains. During the 2020 Derecho, many producers salvaged their damaged corn crop by harvesting as earlage or snaplage instead of grain or silage.

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.

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