

Connecticut FSA February Newsletter - March 23, 2023

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Message From the State Executive Director

Celebrating Women's History Month

According to NASS Census data, between the years of 2012 and 2017, the number women producers in Connecticut increased by 158, even though the total number of producers across the state dropped by 63. More astoundingly, however, the number of women who were the principal producer (primarily responsible for day-to-day operations) on farms increased by nearly 30%, from 1,505 in 2012 to 1,950 in 2017. Though it will be a while before we see the data out of the 2022 census, I expect this trend will continue.

So, as we celebrate Women's History during the month of March, I want to also honor the women across our state and recognize the increasingly vital role they play in bolstering and sustaining agriculture in Connecticut.

Additional Assistance for Eligible Distressed Farm Loan Borrowers

On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA) into law. Section 22006 of the IRA provides \$3.1 billion for USDA to provide relief for distressed borrowers with certain FSA direct and guaranteed loans, and to expedite assistance for those whose agricultural operations are at financial risk. The first phase assisted more than 13,000 Farm Loan customers (nearly \$800 million in assistance) who were 60 days or more delinquent as of September 30, 2022.

Now, with many of these initial payments made or in progress, USDA is announcing details on a <u>new tool</u> to enable FSA to intervene more quickly and provide one-time financial assistance

to borrowers before they become delinquent, or to those borrowers who have recently become delinquent. The new process will add an option to use the existing direct loan servicing criteria to review, upon request, a borrower's cashflow to determine eligibility for assistance to pay the next installment or a recently missed installment. If you think you may qualify, contact FSA Farm Loan Manager Carolyn Orser (860-319-8072) or the FSA call center (877-508-8364) when you are within 60 days of the installment due date or missed a recent installment/payment.

ERP Phase 2 and PARP Sign-Up is Underway

Sign-up is open for Emergency Relief Program (ERP) Phase Two and the Pandemic Assistance Revenue Program (PARP) and continues through June 2, 2023. These programs are both revenue loss-based programs intended to fill gaps in assistance programs previously delivered for substantial disaster and pandemic related losses in 2020 and 2021. Now is a great time to reach out to the FSA staff at your local USDA Service Center and learn about these and our many other 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:

April 7, 2023 - Conservation Reserve Program (CRP) - General signup closes.

June 2, 2023 - ERP Phase 2 application deadline.

June 2, 2023 - PARP application deadline.

USDA Announces General Conservation Reserve Program Signups for 2023

Agriculture Secretary Tom Vilsack announced that agricultural producers and private landowners can begin applying for the Conservation Reserve Program (CRP) General signup starting February 27 through April 7, 2023. CRP is a cornerstone voluntary conservation program offered by the U.S. Department of Agriculture (USDA) and a key tool in the Biden-Harris administration's effort to address climate change and help agricultural communities invest in the long-term well-being of their land and natural resources.

Producers and landowners enrolled more than 5 million acres into CRP through signups in 2022, building on the acceptance of more than 3.1 million acres in the <u>largest Grassland CRP</u>

<u>signup in history</u>. There are currently 23 million acres enrolled in CRP, with 1.9 million set to expire this year. USDA's Farm Service Agency (FSA) is aiming to reach the 27-million-acre cap statutorily set for fiscal year 2023.

General CRP

General CRP helps producers and landowners establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality and enhance wildlife habitat on cropland. Additionally, General CRP includes a Climate-Smart Practice Incentive to help increase carbon sequestration and reduce greenhouse gas emissions by helping producers and landowners establish trees and permanent grasses, enhance wildlife habitat, and restore wetlands.

Continuous CRP

Under Continuous CRP, producers and landowners can enroll in CRP throughout the year. Offers are automatically accepted provided the producer and land meet the eligibility requirements and the enrollment levels do not exceed the statutory cap. The Climate-Smart Practice Incentive is also available in the Continuous signup.

FSA offers several additional enrollment opportunities within Continuous CRP, including the Clean Lakes Estuaries and Rivers Initiative (CLEAR30), the State Acres for Wildlife Enhancement (SAFE) Initiative, the Farmable Wetlands Program (FWP), and the Conservation Reserve Enhancement Program (CREP). The CLEAR30 Initiative, which was originally piloted in twelve states in the Great Lakes and Chesapeake Bay watershed, has been expanded nationwide, allowing producers and landowners to enroll in 30-year CRP contracts for water quality practices. Under this administration, FSA also moved SAFE practices back to the Continuous CRP signup, giving producers and landowners more opportunities to participate in the initiative. Through the FWP, producers and landowners can enroll land in CRP as part of their efforts to restore previously farmed wetlands and wetland buffers, to improve both vegetation and water flow.

This administration has also made significant improvements to CREP, which leverages federal and non-federal funds to target specific State, regional or nationally significant conservation concerns. Specifically, USDA made significant improvements to CREP to reduce barriers and make the program more accessible to a broad range of producers and new types of partners.

These updates included flexibility for partners to provide matching funds in the form of cash, in-kind contributions, or technical assistance, along with an investment in additional staff to work directly with partners. Through CREP, for the first time ever, three Tribal Nations are now partnering with USDA to help conserve, maintain, and improve grassland productivity, reduce soil erosion, and enhance wildlife habitat.

Grassland CRP

FSA will announce the dates for Grassland CRP signup in the coming weeks. Grassland CRP is a working lands program, helping landowners and operators protect grassland, including rangeland and pastureland and certain other lands, while maintaining the areas as working grazing lands.

Protecting grasslands contributes positively to the economy of many regions, provides biodiversity of plant and animal populations, and provides important carbon sequestration benefits to deliver lasting climate outcomes.

How to Sign Up

Landowners and producers interested in CRP should contact their local <u>USDA Service</u> Center to learn more or to apply for the program before their deadlines.

Producers with expiring CRP acres can use the Transition Incentives Program (TIP), which incentivizes producers who sell or enter a long-term lease with a beginning, veteran, or socially disadvantaged farmer or rancher who plans to sustainably farm or ranch the land.

More Information

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits.

Filing CCC-941 Adjusted Gross Income Certifications

If you have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs), it may be because you have not filed form CCC-941, Adjusted Gross Income Certification.

If you don't have a valid CCC-941 on file for the applicable crop year you will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2018, 2019, 2020, 2021, and 2022. Unlike the past, you must have the CCC-941 certifying your AGI compliance before any payments can be issued.

Before You Break Out New Ground, Ensure Your Farm Meets Conservation Compliance

The term "sodbusting" is used to identify the conversion of land from native vegetation to commodity crop production after December 23, 1985. As part of the conservation provisions of the Food Security Act of 1985, if you're proposing to produce agricultural commodities (crops that require annual tillage including one pass planting operations and sugar cane) on land that has been determined highly erodible and that has no crop history prior to December

23, 1985, that land must be farmed in accordance with a conservation plan or system that ensures no substantial increase in soil erosion.

Eligibility for many USDA programs requires compliance with a conservation plan or system on highly erodible land (HEL) used for the production of agricultural commodities. This includes Farm Service Agency (FSA) loan, disaster assistance, safety net, price support, and conservation programs; Natural Resources Conservation Service (NRCS) conservation programs; and Risk Management Agency (RMA) Federal crop insurance.

Before you clear or prepare areas not presently under production for crops that require annual tillage, you are required to file Form AD-1026 "Highly Erodible Land Conservation and Wetland Conservation Certification," with FSA indicating the area to be brought into production. The notification will be referred to NRCS to determine if the field is considered highly erodible land. If the field is considered HEL, you are required to implement a conservation plan or system that limits the erosion to the tolerable soil loss (T) for the predominant HEL soil on those fields.

In addition, prior to removing trees or conducting any other land manipulations that may affect wetlands, remember to update form AD-1026, to ensure you remain in compliance with the wetland conservation provisions.

Prior to purchasing or renting new cropland acres, it is recommended that you check with your local USDA Service Center to ensure your activities will be in compliance with the highly erodible land and wetland conservation provisions.

For additional information on highly erodible land conservation and wetland conservation compliance, contact your local <u>USDA Service Center</u>.

Ask the Expert: A Q&A on Farm Storage Facility Loans

In this Ask the Expert, Toni Williams answers questions about how Farm Storage Facility Loans (FSFLs) provide low-interest financing to help producers build or upgrade commodity storage facilities. Toni is the Agricultural Program Manager for FSFLs at the Farm Service Agency (FSA).

Toni has worked for FSA for more than 32 years and is responsible for providing national policy and guidance for Farm Storage Facility Loans.

What are Farm Storage Facility Loans?

Farm Storage Facility Loans provide low-interest financing for eligible producers to build or upgrade facilities to store commodities.

The FSFL program was created in May 2000 to address an existing grain shortage. Historically, FSFLs benefitted grain farmers, but a change in the 2008 Farm Bill extended the program to fruit and vegetable producers for cold storage. An additional change extended the program to washing and packing sheds, where fresh produce is washed, sorted, graded,

labeled, boxed up, and stored before it heads to market. Since May 2000, FSA has made more than 40,000 loans for on-farm storage.

Eligible facility types include grain bins, hay barns, bulk tanks, and facilities for cold storage. Drying and handling and storage equipment including storage and handling trucks are also eligible. Eligible facilities and equipment may be new or used, permanently affixed or portable.

To read the full blog visit <u>farmers.gov/blog/ask-the-expert-qa-on-farm-storage-facility-loans-with-toni-williams</u>.

Report Banking Changes to FSA

Farm Service Agency (FSA) program payments are issued electronically into your bank account. In order to receive timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for any reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2019 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2020. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

Wool Triggers Loan Deficiency Payment in All Counties

If you raise sheep in Connecticut, you may be eligible for loan deficiency payments (LDPs) for wool from the USDA's Farm Service Agency (FSA).

LDPs and marketing assistance loans (MALs) are marketing tools that are available during or shearing.

MALs help producers meet cash flow needs without selling commodities when market prices are at harvest-time lows. Producers who are eligible for marketing loans, but choose to forgo the loan, are eligible for LDPs if the posted county price falls below the county loan rate.

Producers can purchase a commodity certificate that may be exchanged for the outstanding loan collateral. Daily LDP rates are available online at fsa.usda.gov.

Rules related to payment limitations, actively engaged in farming and cash-rent tenant no longer apply to LDPs.

Double-Cropping

Each year, state committees review and approve or disapprove county committee recommended changes or additions to specific combinations of crops.

Double-cropping is approved when two specific crops have the capability to be planted and carried to maturity for the intended use, as reported by the producer, on the same acreage within a crop year under normal growing conditions. The specific combination of crops recommended by the county committee must be approved by the state committee.

The following double-cropping combinations are approved in Connecticut:

First Crop - Second Crop

Sweet Corn (FH) - Beans (FH)

Beans (FH) - Summer Squash, Zucchini (FH)

Sweet Corn (FH) - Cucumber, Pickling/Common (FH)

Sweet Corn (FH) - Summer Squash, Zucchini (FH)

Cucumbers, Pickling/Common (FH) - Sweet Corn

A crop following a cover crop terminated according to termination guidelines is approved double cropping and these combinations do not have to be approved by the state committee.

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