Idaho State Office FSA Newsletter - February 12, 2024

Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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# **Important Dates**

- February 19: President's Day Office's Closed
- February 29: Signup Deadline for Livestock Indemnity Program (LIP)
- March 15: Signup Deadline for Agriculture Risk (ARC) and Price Loss Coverage (PLC)
- March 15: Application Deadline for 2024 NAP Coverage for most Spring Planted Annual Crops

Click here to learn more about local deadlines and ongoing programs.

# Farmers Can Now Enroll for the Agriculture Risk Coverage and Price Loss Coverage Programs the 2024 Crop Year

The U.S. Department of Agriculture (USDA) today announced that agricultural producers can now enroll in the Farm Service Agency's (FSA) <u>Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)</u> programs for the 2024 crop year. Producers can enroll and make election changes for the 2024 crop year starting Dec. 18, 2023. The deadline to complete enrollment and any election change is March 15, 2024.

On Nov. 16, 2023, President Biden signed into law H.R. 6363, the Further Continuing Appropriations and Other Extensions Act,



2024 (Pub. L. 118-22), which extended the *Agriculture Improvement Act of 2018* (Pub. L. 115-334), more commonly known as the 2018 Farm Bill, through September 30, 2024. This extension allows authorized programs, including ARC and PLC, to continue operating.

#### 2024 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 2024

are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm it will continue for 2024 unless an election change is made.

If producers do not submit their election revision by the March 15, 2024, deadline, their election remains the same as their 2023 election for commodities on the farm. Farm owners cannot enroll in either program unless they have a share interest in the cropland.

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 grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

#### 2022 Crop Year Payments

This fall, FSA issued payments totaling more than \$267 million to agricultural producers who enrolled in the 2022 ARC-CO option and the ARC ARC-IC option for covered commodities that triggered a payment. Payments through the PLC option did not trigger for the 2022 crop year.

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. These payments help mitigate fluctuations in either revenue or prices for certain crops. Payments for crops that may trigger for the 2023 crop year will be issued in the fall of 2024.

### **Crop Insurance Considerations**

ARC and PLC are part of a broader USDA safety net that 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 can purchase 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.

#### **Web-Based Decision Tools**

Many universities offer web-based decision tools to help producers make informed, educated decisions using crop data specific to their respective farming operations. Producers are encouraged to use the tool of their choice to support their ARC and PLC elections.

#### More Information

For more information on ARC and PLC, producers can visit the <u>ARC and PLC webpage</u> or contact their local <u>USDA Service Center</u>. Producers can also make elections and complete enrollment <u>online with level 2</u> eAuth.

# USDA Encourages You to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The Farm Service Agency encourages you to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance

program is available. You can determine if crops are eligible for federal crop insurance or NAP by <u>visiting the</u> RMA website.

NAP offers higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. Buy-up levels of NAP coverage are available if the producer can show at least one year of previously successfully growing the crop for which coverage is being requested. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties.

Beginning, underserved, veterans and limited resource farmers are now eligible for free catastrophic level coverage.

Deadlines for coverage vary by state and crop. Contact your local County USDA Service Center visit <u>fsa.usda.gov</u>.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at <u>USDA's online Agent Locator</u>. You can use the <u>USDA Cost Estimator</u> to predict insurance premium costs.

# **Annual Review of Payment Eligibility for New Crop Year**

FSA and NRCS program applicants for benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information for FSA to determine the applicant's payment eligibility and establish the maximum payment limitation applicable to the program applicant.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the previous determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county office are updated, current, and correct. Participants are required to timely notify the county office of any changes in the farming operation that may affect the previous determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
  - A land lease from cash rent to share rent
  - A land lease from share rent to cash rent (subject to the cash rent tenant rule
  - A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share

- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Certifications of average AGI are required to be filed annually for participation in an annual USDA program. For multi-year conservation contracts and NRCS easements, a certification of AGI must be filed prior to approval of the contract or easement and is applicable for the duration of the contract period.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

# USDA Helps Producers Prepare for and Recover from Severe Winter Weather

Winter storms create significant challenges and often result in catastrophic loss for agricultural producers, especially for those raising livestock, row crops and vulnerable crops like citrus. Despite every attempt to mitigate risk, your operation may suffer losses. As you prepare for the potential impacts of upcoming winter weather, know that USDA offers several programs to help with recovery.



## **Risk Management**

For producers who have risk protection through <u>Federal Crop</u>
<u>Insurance</u> or the <u>Noninsured Crop Disaster Assistance</u>

Program (NAP), we want to remind you to report crop damage to your crop

<u>Program</u> (NAP), we want to remind you to report crop damage to your crop insurance agent or the local <u>Farm</u> <u>Service Agency</u> (FSA) office.

If you have crop insurance, contact your agency within 72 hours of discovering damage and be sure to follow up in writing within 15 days. If you have NAP coverage, file a Notice of Loss (also called Form CCC-576) within 15 days of loss becoming apparent, except for hand-harvested crops, which should be reported within 72 hours.

#### **Disaster Assistance**

USDA also offers disaster assistance programs, which are especially important to livestock, fruit and vegetable, specialty and perennial crop producers.

First, the <u>Livestock Indemnity Program</u> (LIP) and <u>Emergency Assistance for Livestock</u>, <u>Honeybee and Farmraised Fish Program</u> (ELAP) reimburses producers for a portion of the value of livestock, poultry and other animals that died as a result of a qualifying natural disaster event– like these winter storms – or for loss of grazing acres, feed and forage. To participate in LIP and ELAP, you will need to file a Notice of Loss by the annual program payment application date. The LIP payment application and notice of loss deadline is Feb. 29, 2024, for the 2023 program year and March 3, 2025, for 2024 program year losses. For ELAP, producers are required to complete and a notice of loss to their local FSA office no later than the annual program application deadline of January 30 following the program year in which the loss occurred.

Next, the <u>Tree Assistance Program</u> (TAP) provides cost share assistance to rehabilitate and replant tree, vines or shrubs loss experienced by orchards and nurseries. This complements NAP or crop insurance coverage, which covers the crop but not the plants or trees in all cases.

For TAP, you will need to file a program application within 90 days of the disaster event or the date when the loss of the trees, bushes, or vines is apparent.

#### **Documentation**

It's critical to keep accurate records to document all losses following this devastating cold weather event. Livestock producers are advised to document beginning livestock numbers by taking time and date-stamped video or pictures prior to and after the loss.

Other common documentation options include:

- Purchase records
- Production records
- Vaccination records
- Bank or other loan documents
- Third-party certification

#### **Other Programs**

The <u>Emergency Conservation Program</u> and <u>Emergency Forest Restoration Program</u> can assist landowners and forest stewards with financial and technical assistance to restore fencing, damaged farmland or forests, and remove snow from feed stocks, water supplies, and feeding areas.

Additionally, FSA offers a variety of loans available including emergency loans that are triggered by disaster declarations and operating loans that can assist producers with credit needs. You can use these loans to replace essential property, purchase inputs like livestock, equipment, feed and seed, or refinance farm-related debts, and other needs. Additionally, FSA offers several loan servicing options available for borrowers who are unable to make scheduled payments on their farm loan programs debt to the agency because of reasons beyond their control.

Meanwhile, USDA's Natural Resources Conservation Service (NRCS) provides financial resources through its <u>Environmental Quality Incentives Program</u> to help with immediate needs and long-term support to help recover from natural disasters and conserve water resources. Assistance may also be available for emergency animal mortality disposal from natural disasters and other causes.

#### **Additional Resources**

Additional details – including payment calculations – can be found on our <u>NAP</u>, <u>ELAP</u>, <u>LIP</u>, and <u>TAP</u> fact sheets. On farmers.gov, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster-at-a-Glance fact sheet</u>, and <u>Farm Loan Assistance Tool</u> can help you determine program or loan options.

While we never want to have to implement disaster programs, we are here to help. To inquire about available programs, contact your local <u>USDA Service Center</u>.

# **USDA Now Accepting Farm Loan Payments Online**

The U.S. Department of Agriculture (USDA) announced today that most farm loan borrowers will soon be able to make payments to their direct loans online through the Pay My Loan feature on <a href="farmers.gov">farmers.gov</a> in early February. Pay My Loan is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, especially for producers who may have limited time during the planting or harvest seasons to visit a local FSA office; modernize and improve customer service; provide additional customer self-service tools; and expand credit access to assist more producers.

On average, local USDA Service Centers process more than 225,000 farm loan payments each year. Pay My Loan gives most borrowers an online repayment option and relieves them from needing to call, mail, or visit a Service Center to pay their loan installment. Farm loan payments can now be made at the borrower's convenience, on their schedule and outside of FSA office hours.

Pay My Loan also provides time savings for FSA's farm loan employees by minimizing manual payment processing activities. This new service for producers means that farm loan employees will have more time to focus on reviewing and processing new loans or servicing requests.

The Pay My Loan feature can be accessed at farmers.gov/loans. To use the payment feature, producers must establish a USDA customer account and a <u>USDA Level 2 eAuthentication ("eAuth") account or a Login.gov account</u>. This initial release only allows individuals with loans to make online payments. For now, borrowers with jointly payable checks will need to continue to make loan payments through their local office.

FSA has a significant initiative underway to streamline and automate the Farm Loan Program customerfacing business process. For the over 26,000 producers who submit a direct loan application annually, FSA has made various improvements including:

- The Online Loan Application, an interactive, guided application that is paperless and provides helpful features including an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet, and build a farm operating plan.
- The <u>Loan Assistance Tool</u> that provides customers with an interactive online, step-by-step guide to
  identifying the direct loan products that may be a fit for their business needs and to understanding the
  application process.

A <u>simplified direct loan paper application</u>, which reduced loan applications by more than half, from 29 pages to 13 pages.



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## Idaho FSA State Committee

Roy Bunderson - Committee Chair Marie Linehan

Next State Committee Meeting: April 2024

Note: To check the status of your FSA Farm Loan (FLP) account, call 1-888-518-4983 or check with your local office. To find contact information for your local office go to <a href="https://www.fsa.usda.gov/id">www.fsa.usda.gov/id</a>