Thank a Farmer for Food, Fiber, Fuel, and Our Future



March 22 is National Ag Day, a time for us to thank farmers for feeding, sheltering and powering our nation. We also want to celebrate and recognize the pivotal role of producers in mitigating climate change through voluntary conservation efforts.

Climate change is happening, evidenced by persistent drought, frequent tornadoes and storms, and larger and more powerful wildfires. Our agricultural communities are on the frontlines. Now is the time for us to act, and Indiana producers are doing their part.

We're focused on providing producers tools to help mitigate climate change. As part of this, the Biden-Harris Administration has taken proactive steps to improve programs.

We bolstered the <u>Conservation Reserve Program</u>, providing an incentive for climate-smart practices and investing in partnerships to better quantify the benefits of this program.

With our <u>Environmental Quality Incentives Program</u>, we launched a new cover crop initiative as well as new conservation incentive contract option, all with a goal to make available additional funds to help producers conserve natural resources.

And finally, we're enhancing <u>Federal crop insurance</u> to support conservation. In 2021 and 2022, we provided producers with a premium benefit for acres planted to cover crops.

You might be wondering, why so much emphasis on cover crops? Cover crops help soil sequester more carbon, a key tool for mitigating climate change; they prevent runoff, leading to cleaner water; and they boost production through improved soil health.

Our staff work one-on-one with producers to conserve natural resources, grow and improve their operations, and manage risk. This year's National Ag Day theme is "Growing a Climate for Tomorrow." We know from firsthand experience – farmers are doing this. On National Ag Day, and every day, we encourage you to thank a farmer or rancher for food, fiber, and fuel – and our future.

USDA Updates Eligibility for Spot Market Hog Pandemic Program

USDA has clarified the definition of a spot market sale and hog eligibility under the <u>Spot</u> <u>Market Hog Pandemic Program</u> (SMHPP), which assists producers who sold hogs through a spot market sale from April 16, 2020, through Sept. 1, 2020. Hog producers will also now be required to submit documentation to support information provided on their SMHPP application. FSA will accept applications through April 29, 2022, which is an extension of the April 15, 2022, deadline previously set for the program.

USDA is offering the SMHPP in response to a reduction in packer production due to the COVID-19 pandemic, which resulted in fewer negotiated hogs being procured and subsequent lower market prices. The program is part of USDA's broader <u>Pandemic</u> <u>Assistance for Producers</u> initiative and addresses gaps in previous assistance for hog producers.

SMHPP Program Updates

When the pandemic disrupted normal marketing channels, including access to packers, producers sold their hogs through cash sales to local processors or butchers, direct sales to individuals and third-party intermediaries, including sale barns or brokers. The use of third-party intermediaries was the only available marketing alternative for many producers and are now included in SMHPP. The only direct to packer sales that are eligible for SMHPP are those through a negotiated sale. Hogs sold through a contract that includes a premium above the spot-market price or other formula such as the wholesale cut-out price remain ineligible. Hogs must be suitable and intended for slaughter to be eligible. Immature swine (pigs) are ineligible.

FSA will now require documentation to support the accuracy of information provided on the FSA-940 Spot Market Hog Pandemic Program application, including the number of hogs reported on the application that were sold through a spot market sale and how the price was determined for the sale.

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of \$54 per head. To ensure SMHPP funding availability is disbursed equitably to all eligible producers, FSA will now issue payments after the application period ends. If calculated payments exceed the amount of available funding, payments will be factored.

Applying for Assistance

Eligible hog producers can apply for SMHPP by April 29, 2022, by completing the FSA-940, Spot Market Hog Pandemic Program application, along with required supporting documentation. Producers can visit <u>farmers.gov/smhpp</u> for examples of supporting documentation, information on applicant eligibility and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find their local FSA office, producers should visit <u>farmers.gov/service-locator</u>. Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

Indiana Farm Service Agency State Office

5981 Lakeside Blvd Indianapolis IN 46278

Phone: 317-290-3315 Fax: 855-374-4066

Susan Houston Acting State Executive Director susan.houston@usda.gov

Joshua Oren Administrative Officer joshua.oren@usda.gov

Stephanie Alexander Conservation/Compliance Program Chief Acting Production Adjustment Program stephanie.alexander@usda.gov

Kala Nicholson-Cline Acting Farm Loan Programs Chief kala.nicholson-cline@usda.gov

Susan Houston Price Support/Disaster Program Chief susan.houston@usda.gov

Susan Houston Chief susan.houston@usda.gov

Susan Houston Acting State Committee susan.houston@usda.gov Indiana Farm Service Agency

Service Center Locator