

News & Updates from the Iowa Farm Service Agency - September 27, 2022

#### In This Issue:

- From the Desk of Matt Russell, State Executive Director
- <u>Biden-Harris Administration Announces Historic Investment in Partnerships for 70 Climate-Smart Commodities and Rural Projects</u>
- USDA to Invest up to \$300 million in New Organic Transition Initiative
- Biden-Harris Administration Makes \$500 Million Available to Increase Innovative American-Made Fertilizer Production
- <u>Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation</u>
- USDA Opens People's Garden Initiative to Gardens Nationwide
- <u>USDA Seeks Input on New Grant Program to Strengthen Food Supply Chain, Reduce Irregular</u>
   Migration and Improve Labor Protections for Farmworkers
- Submit Loan Requests for Financing Early
- We Are Hiring!

### From the Desk of Matt Russell, State Executive Director

The Biden-Harris Administration is empowering Iowa farmers to lead on agricultural solutions to the climate crisis. This historic investment ranks up there with historic investments like New Deal Programs in conservation and rural electrification in the 1930s and the 1985 Farm Bill that multiplied federal support for American farmers to implement conservation on our farms.

I'll admit I might be a little biased. I've been preaching for almost a decade that lowa farmers are uniquely capable of delivering solutions to some of the world's greatest challenges, among the most pressing being solutions to climate change and other environmental challenges.

The announcement last week of the \$2.8 billion investment in the <u>Partnerships for Climate Smart Commodities</u> makes clear farmers-ranchers-foresters, agribusinesses, food companies, universities and non-profits all agree that it's time to leverage agricultural solutions to help solve the climate crisis.

This historic moment also raises a number of questions. What role will FSA play as lowa farmers develop these climate smart innovations? How will these innovations fuel on-farm and off-farm opportunities for rural communities? Where will lowa farmers invest these new revenue streams as global markets begin to invest in sustainable innovations on their farms? These and many more questions will be raised and answered. In the coming years and even decades, lowa agricultural leaders will need to be driving both the questions and answers.

Last week marked the beginning of a new era in American agriculture with <u>a \$3 billion investment in American</u> agricultural leadership involving 70 projects, scores of organizations, 1000s of farmers, and millions of acres from every state in the Union.

As is often the case in major advances in American agriculture, lowa is at the center of that leadership. Eighteen of the 70 partnerships will have a presence in lowa, including the \$95,000,000 project led by the lowa Soybean Association.

This is truly historic. As lowans dedicated to and working in agriculture, we all get to be a part of it. Stay tuned. There is so much more to come as lowa farmers lead the way.

# Biden-Harris Administration Announces Historic Investment in Partnerships for 70 Climate-Smart Commodities and Rural Projects



Agriculture Secretary Tom Vilsack recently announced that the Biden-Harris Administration through the U.S. Department of Agriculture is investing up to \$2.8 billion in 70 selected projects under the first pool of the Partnerships for Climate-Smart Commodities funding opportunity, with projects from the second funding pool to be announced later this year. Ultimately, USDA's anticipated investment will triple to more than \$3 billion in pilots that will create market opportunities for American commodities produced using climate-smart production practices. These initial projects will expand markets for climate-smart commodities, leverage the greenhouse gas benefits of climate-smart commodity production and provide direct, meaningful benefits to production agriculture, including for small and underserved producers. Applicants submitted more than 450 project proposals in this first funding pool, and the strength of the projects identified led USDA to increase its investment in this opportunity from the initial \$1 billion Vilsack announced earlier this year.

Learn More

# USDA to Invest up to \$300 million in New Organic Transition Initiative

Agriculture Secretary Tom Vilsack announced details of the U.S. Department of Agriculture's (USDA) \$300 million investment, including with American Rescue Plan funds, in a new Organic Transition Initiative that will help build new and better markets and streams of income for farmers and producers. Organic production allows producers to hold a unique position in the marketplace and thus take home a greater share of the food dollar.

According to the USDA National Agricultural Statistics Service, the number of non-certified organic farms actively transitioning to organic production dropped by nearly 71 percent since 2008. Through the comprehensive support

provided by this initiative USDA hopes to reverse this trend, opening opportunities for new and beginning farmers and expanding direct consumer access to organic foods through increased production.

The initiative will deliver wrap-around technical assistance, including farmer-to-farmer mentoring; provide direct support through conservation financial assistance and additional crop insurance assistance, and support market development projects in targeted markets.

USDA's Agricultural Marketing Service (AMS), Risk Management Agency (RMA) and Natural Resources Conservation Service (NRCS) are the primary agencies supporting the Initiative, which will focus on three areas.

#### **Transition to Organic Partnership Program**

Through this initiative, USDA aims to ensure that farmers transitioning to organic have the support they need to navigate that transition, including a full supply chain to American consumers who demand organic choices in their supermarkets daily. AMS will build partnership networks in six regions across the United States with trusted local organizations serving direct farmer training, education, and outreach activities. The organizations will connect transitioning farmers with mentors, building paid mentoring networks to share practical insights and advice. Each regional team will also provide community building, including train-the-mentor support; as well as technical assistance, workshops, and field days covering topics including organic production practices, certification, conservation planning, business development (including navigating the supply chain), regulations, and marketing to help transitioning and recently transitioned producers overcome technical, cultural, and financial shifts during and immediately following certification. USDA will provide up to \$100 million for this program.

#### **Direct Farmer Assistance**

NRCS will develop a new Organic Management conservation practice standard and offer financial and technical assistance to producers who implement the practice. Payments will be modeled on those already available to producers meeting the existing nutrient and pest management conservation practice standards. USDA will provide \$75 million for this effort. This will include an increase in organic expertise throughout its regions, creating organic experts at each of its regional technology support centers. These experts will train staff who provide direct services to USDA customers. These services include hosting hands-on organic training for state and field NRCS staff and fielding organic-related staff questions.

USDA will provide \$25 million to RMA for the new Transitional and Organic Grower Assistance Program (TOGA) which will support transitioning and certain certified organic producers' participation in crop insurance, including coverage of a portion of their insurance premium.

#### **Organic Pinpointed Market Development Support**

Stakeholders have shared that specific organic markets have market development risks due to inadequate organic processing capacity and infrastructure, a lack of certainty about market access, and insufficient supply of certain organic ingredients. This AMS initiative will focus on key organic markets where the need for domestic supply is high, or where additional processing and distribution capacity is needed for more robust organic supply chains. Examples of markets seeking support include organic grain and feed; legumes and other edible rotational crops; and livestock and dairy. USDA will invest up to \$100 million to help improve organic supply chains in pinpointed markets. The Department will seek stakeholder input on these pinpointed initiatives beginning in September, resulting in an announcement of specific policy initiatives later this year.

#### Other USDA Organic Assistance

This USDA initiative complements <u>existing assistance for organic producers</u>, including FSA's Organic Certification Cost Share Program (OCCSP) and Organic and Transitional Education and Certification Program (OTECP). OCCSP helps producers obtain or renew their organic certification, and OTECP provides additional funding to certified and transitioning producers during the pandemic.

NRCS offers conservation programs, such as the Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP), which can provide assistance to help with managing weeds and pests, and establishing high tunnels, improving soil health, and implementing other practices key to organic operations.

# Biden-Harris Administration Makes \$500 Million Available to Increase Innovative American-Made Fertilizer Production

U.S. Department of Agriculture (USDA) Secretary Tom Vilsack today announced that the Biden-Harris Administration is making \$500 million in grants available to increase American-made fertilizer production to spur competition and combat price hikes on U.S. farmers caused by the war in Ukraine.

The Biden-Harris Administration's <u>Fertilizer Production Expansion Program</u> is part of a whole-of-government effort to promote competition in agricultural markets. The funds are being made available through the Commodity Credit Corporation.

Eligible entities are for-profit businesses and corporations, nonprofit entities, Tribes and Tribal organizations, producer-owned cooperatives and corporations, certified benefit corporations, and state or local governments. Private entities must be independently owned and operated to apply.

The Department will begin accepting applications in the coming days via <a href="www.grants.gov">www.grants.gov</a>. Notably, there will be two opportunities for submission.

Learn more.

# Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

Farmers and ranchers can use the *Farm Loan Discovery Tool* on farmers.gov to find information on USDA farm loans that may best fit their operations.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

#### **How the Tool Works**

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will receive information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the *Farm Loan Discovery Tool* by visiting <u>farmers.gov/fund</u> and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural

operation. 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.

#### **About Farmers.gov**

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The Farm Loan Discovery Tool is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit <a href="mailto:farmers.gov/recover/disaster-assistance-tool#step-1">farmers.gov/recover/disaster-assistance-tool#step-1</a> to find disaster assistance programs that can help their operation recover from natural disasters.

For more information, contact your local USDA Service Center.

## **USDA Opens People's Garden Initiative to Gardens Nationwide**

USDA is expanding its People's Garden Initiative to include eligible gardens nationwide. School gardens, community gardens, urban farms, and small-scale agriculture projects in rural, suburban and urban areas can be recognized as a "People's Garden" if they register on the USDA website and meet criteria including benefitting the community, working collaboratively, incorporating conservation practices and educating the public. Affiliate People's Garden locations will be indicated on a map on the USDA website, featured in USDA communications, and provided with a People's Garden sign. Learn More about the People's Garden

# USDA Seeks Input on New Grant Program to Strengthen Food Supply Chain, Reduce Irregular Migration and Improve Labor Protections for Farmworkers

The U.S. Department of Agriculture (USDA) is gathering input to help shape a recently announced planned grant program focused on improving the resiliency of our food and agricultural supply chain by addressing labor shortages in agriculture, reducing irregular migration through increased use of legal pathways, and improving labor protections for farmworkers. USDA's Farm Service Agency (FSA) will hold three virtual listening sessions on Sept. 28-29 for the new farm labor stabilization and protection pilot grant program, which the Biden-Harris administration announced earlier this year as part of the Los Angeles Declaration on Migration and Protection.

The grant program will use up to \$65 million in American Rescue Plan Act funding to provide support for agricultural employers in implementing robust labor standards to promote a safe, healthy work environment for both U.S. workers and workers hired from northern Central American countries under the seasonal H-2A visa program.

#### More on the Grant Program

The program will aim to improve the resiliency of our food and agricultural supply chain and advance several major Administration priorities:

• Driving U.S. economic recovery and safeguarding domestic food security by addressing current labor shortages in agriculture. Even before the onset of the COVID-19 pandemic, agricultural employers were struggling to secure a stable workforce. The pandemic has only exacerbated this problem, threatening our

domestic capacity to produce a safe and robust food supply. This pilot program will help address this shortage by expanding the potential pool of workers.

- Reducing irregular migration through the increased use of legal pathways. The Biden-Harris administration
  has taken numerous steps to address the elevated levels of irregular migration from Northern Central
  America. The H-2A visa program offers a lawful pathway for individuals from these countries to come to the
  United States to engage in temporary or seasonal agricultural work. An effective H-2A visa program is critical
  to the resiliency of the food and agricultural supply chain. This pilot program will aim to address challenges
  that both workers and employers face in utilizing the program.
- Improving working conditions for farmworkers. Strong and safe working conditions are critical to the resiliency of the food and agricultural supply chain. Through this pilot program, USDA will support efforts to improve working conditions for both U.S. and H-2A workers and ensure that H-2A workers are not subjected to unfair recruitment practices.

#### **Agricultural Employer Organizations**

FSA will hold a listening session for agricultural employer organizations on Wednesday, Sept. 28 at 11 a.m. ET. FSA seeks input on:

- Challenges that employers face in securing a stable workforce.
- The set of incentives employers seek from USDA in order to improve their ability to hire workers from northern Central American countries under the seasonal H-2A visa program.
- The labor standards that will make meaningful progress towards ensuring a safer and fairer working environment for both domestic and H-2A farmworkers.

#### **Labor Unions and Farmworker Advocacy Community**

FSA will hold a listening session for labor unions on Wednesday, Sept. 28 at 2 p.m. ET, and one for the broader farmworker advocacy community on Thursday, Sept. 29 at 2 p.m. ET. From both groups, FSA seeks input on:

- Barriers or challenges faced by farmworkers, specifically those from northern Central American countries participating in the H-2A visa program.
- Recommendations to enhance farmworker protections and to increase farmworker awareness of resources and worker rights.

#### **How to Attend**

Register online at <u>fsa.usda.gov/farmworkers</u>. FSA will also consider comments received by 30 days after the date of publication in the Federal Register. Find more details in the <u>Sept. 21 notice on the Federal Register</u> or on <u>fsa.usda.gov/farmworkers</u>.

### Submit Loan Requests for Financing Early

The Farm Loan team in lowa is already working on operating loans for spring 2023 and asks potential borrowers to submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

**Microloans** are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for

operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

**Marketing Assistance Loans** allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

**Farm Storage Facility Loans** can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

## We Are Hiring!



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