

News & Updates from the Iowa Farm Service Agency - August 31, 2023

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

This week, I had the opportunity to spend a morning with the Conservation Districts of Iowa at their annual conference. I'm always surprised when I hear the number of Soil and Water Conservation District Commissioners, over 500 elected and volunteer leaders. I'm reminded that we have over 300 County Committee members elected and appointed. I ran into one person at the conference who serves in both roles. I assume there are many more.

In gatherings like this, I'm reminded how grounded our counties are with great local leadership helping USDA, IDALS, SWCDs, and partnering organizations empower lowa farmers and ranchers to deliver solutions on the land. A growing number of our farmers and ranchers are ready to help clean up our water, improve our soils, and make more and better spaces for wildlife.

I'm excited to see the investments being made by the Biden-Harris Administration join the investments being made by the state of lowa and lowa counties. The future is filled with opportunity, and we have hundreds of local leaders helping to shape those efforts in every county and potentially on every farm in the state. As our service centers continue to hire new staff, consider a career in agricultural leadership in a USDA Service Center and continue to encourage your friends and family to consider it as well.

Matt

# USDA Updates Livestock Disaster Payment Rate to Assist Producers Hard-Hit by Heat and Humidity

The USDA's Farm Service Agency (FSA) announced today it is updating the <u>Livestock Indemnity Program</u> (<u>LIP</u>) payment rate to support livestock producers in the Midwest who have lost cattle to the extreme heat and humidity experienced this summer. To help indemnify ranchers to reflect a trend towards higher cattle weights in feedlots, the 2023 LIP payment rate for beef calves over 800 pounds will increase from \$1244 per head to \$1618, an increase of \$374.

LIP provides benefits to livestock owners and some contract growers for livestock deaths exceeding normal mortality from eligible adverse weather events, certain predation losses and reduced sales prices due to injury from an eligible loss. Indemnity payments are made at a rate of 75% of the prior year's average fair market value of the livestock.

The updated LIP payment rate is effective immediately and will be applied retroactively starting Jan.1, 2023, for all eligible causes of loss including excessive heat, tornado, winter storms, and other qualifying adverse weather. Producers who have already received LIP payments for 2023 losses will receive an additional payment, if applicable, commensurate with this updated rate. For details on eligibility and payment rates, review the LIP fact sheet.

FSA recognizes that an annual update of LIP payment rates does not account for the volatile nature of livestock markets and is further exploring flexibilities to establish more current payment rates.

#### **More Information**

On <u>farmers.gov</u>, <u>Disaster Assistance Discovery Tool</u>, <u>Disaster Assistance-at-a-Glance fact sheet</u>, and <u>Loan Assistance Tool</u> can help producers and landowners determine program or loan options. For FSA and NRCS programs, they should contact their local USDA Service Center.



## Financial Assistance Application Process Opens for USDA Farm Loan Borrowers Who Have Faced Discrimination

USDA announced the opening of the financial assistance application process for eligible farmers, ranchers, and forest landowners who experienced discrimination in USDA farm lending programs prior to January 2021. Section 22007 of the

Inflation Reduction Act (IRA) directs USDA to provide this assistance. Since the law's passage, USDA has worked diligently to design the program in accordance with significant stakeholder input.

The program website, <u>22007apply.gov</u>, is now open. The website includes an English- and Spanish-language application that applicants can download or submit via an e-filing portal, information on how to obtain technical assistance in-person or virtually, and additional resources and details about the program.

Farmers, ranchers, and forest landowners who experienced discrimination by USDA in its farm loan programs prior to January 1, 2021 and/or are currently debtors with assigned or assumed USDA farm loan debt that was the subject of USDA discrimination that occurred prior to January 1, 2021, are eligible for this program.

To apply, borrowers have the option to apply via the e-filing portal at <u>22007apply.gov</u> or submit paper-based forms via mail or in-person delivery to the program's local offices. The application process will be open from July 7 to October 31, 2023. Under the planned timeline, applications will be reviewed in November and December, with payments reaching recipients soon thereafter. Importantly, applicants should know that the application process is not on a first come, first served, basis. All applications received or postmarked before the October 31 deadline will be considered.

To support producers throughout the application process, USDA is ensuring that organizations with extensive experience conducting outreach to farm organizations are able to support individuals who may be eligible for the program. These groups include AgrAbility, Farmer Veteran Coalition, Farmers' Legal Action Group, Federation of Southern Cooperatives, Intertribal Agriculture Council, Land Loss Prevention Program, National Young Farmers Coalition, and Rural Coalition.

Vendors operating four regional hubs are also providing technical assistance and working closely with these and other community-based organizations to conduct outreach using digital and grassroots strategies, to ensure potential applicants are informed about the program and have the opportunity to apply. These hubs are operating a network of brick-and-mortar program offices and will conduct extensive outreach about the program. Windsor Group serves farmers in the eastern regions of the U.S. and Analytic Acquisitions serves the western regions. A national administrator, Midtown Group, is responsible for program oversight and integrity, and will lead a national call-center, operate the application website - <a href="mailto:2007apply.gov">2007apply.gov</a>, which is now open – and review and process applications and payments. All vendors have experience in professional services, supporting government contracts, and complex program operations.

In standing up this program, USDA has become aware of some lawyers and groups spreading misleading information about the discrimination assistance process, pressuring people to sign retainer agreements, and asking people to fill out forms with private and sensitive information. As of today, the official application process has begun and filling out an application is free.

No attorneys' fees will be paid to applicants or their counsel by USDA or by any other agency or department of the United States. The amount of financial assistance will not be increased for those claimants who are represented by an attorney. Applicants are not required to retain an attorney. USDA, the national administrator, and the regional hub vendors will neither recommend that any applicant retain counsel or retain a specific attorney or law firm, nor discourage an applicant from obtaining counsel or using a specific attorney or law firm. For more information, read our <u>fact sheet about the program timeline and ways to protect against possible scams</u>.

## USDA Offering Disaster Assistance for 2023 Livestock Forage Losses in 42 Iowa Counties

Producers in 42 Iowa counties are eligible to apply for 2023 Livestock Forage Disaster Program (LFP) benefits on small grain, native pasture, improved pasture, annual ryegrass, forage sorghum. The current eligible counties include: Allamakee, Appanoose, Black Hawk, Bremer, Buena Vista, Butler, Calhoun, Cass, Cherokee, Chickasaw, Clarke, Clayton, Crawford, Davis, Des Moines, Floyd, Grundy, Harrison, Henry, Ida, Jefferson, Keokuk, Lee, Louisa, Lucas, Lyon, Mahaska, Marion, Mills, Monona, Monroe, Montgomery, Muscatine, Plymouth, Pocahontas, Pottawattamie, Sac, Van Buren, Wapello, Washington, Wayne, and Woodbury.

LFP provides compensation if you suffer grazing losses for covered livestock due to drought. County committees can only accept LFP applications after notification is received by the National Office of qualifying drought. You must complete a CCC-853 and supporting documentation is required. Deadlines to apply vary by county.

# Ask the Expert: A Q&A on Farm Storage Facility LoansClick to edit this heading.

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 onfarm 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 farmers.gov/blog/ask-the-expert-qa-on-farm-storage-facility-loans-with-toni-williams.

## NRCS Announces \$75 Million to Assist Producers Transitioning to Organic as Part of USDA's Organic Transition Initiative

USDA announced its \$75 million investment in conservation assistance for producers transitioning to organic production. As part of the multi-agency <u>Organic Transition Initiative (OTI)</u>, USDA's Natural Resources Conservation Service (NRCS) will dedicate financial and technical assistance to a new organic management standard and partner with new organic technical experts to increase staff capacity and expertise.

The investment, which includes funds from the 2020 Coronavirus Aid, Relief, and Economic Security Act (CARES Act), will help build new and better markets and income streams, strengthen local and regional food systems and increase affordable food supply for more Americans, while promoting climate-smart agriculture and ensuring equity for all producers.

### **Direct Farmer Assistance**

NRCS will dedicate \$70 million to assist producers with a <u>new organic management standard</u> under the Environmental Quality Incentives Program (EQIP).

NRCS will help producers adopt the new organic management standard, which allows flexibility for producers to get the assistance and education they need such as attending workshops or requesting help from experts or mentors. It supports conservation practices required for organic certification and may provide foregone income reimbursement for dips in production during the transition period.

Higher payment rates and other options are available for underserved producers including socially disadvantaged, beginning, veteran, and limited resource farmers and ranchers.

#### **How to Apply**

Eligible producers include farmers, ranchers, forest landowners, and other producers beginning or in the process of transitioning to organic certification. NRCS will announce state-specific deadlines later this year, after which producers can apply through NRCS at their local USDA Service Center.

### **Notice of Funding for Seven New Positions**

NRCS will dedicate \$5 million to partner with six organic technical experts through five-year agreements. The organic experts will develop regional networks and support NRCS staff who provide services to USDA customers. These services include hosting hands-on organic training and fielding organic-related staff questions. One organic research position will support this network. A <a href="Notice of Funding Opportunity">Notice of Funding Opportunity</a>, which closed on June 11, 2023, outlined requirements for proposals from regional organizations and partners.

For more information, visit farmers.gov/organic.

# Avoid Scams Related to USDA Financial Assistance for Farmers Facing Discrimination

The Inflation Reduction Act provides \$2.2 billion in financial assistance for farmers, ranchers, and forest landowners who experienced discrimination in USDA's farm lending programs prior to January 1, 2021.

USDA has become aware of some lawyers and groups spreading misleading information about this process, pressuring people to sign retainer agreements, and asking people to fill out forms with private and sensitive information.

Application forms for this program **are not yet available** and the **application filing period has not started**. Before the application process opens, USDA will publish a list of trusted community organizations located across the country that will provide **FREE** help completing applications.

Please beware of organizations seeking to file your application for a fee. Filing an application for the program will be **FREE**. You **will not** need a lawyer to file an application for this program. If you feel the need for legal advice, seek the assistance of a trusted, licensed attorney.

Beware of solicitations by mail, email, or phone calls from individuals claiming to be connected to USDA. **USDA will not solicit you for information.** 

The most up-to-date information on this program will be posted at <a href="www.farmers.gov/22007">www.farmers.gov/22007</a>, a USDA website. Please check there for any concerns or reach out to your local FSA office. To find your local office, visit <a href="farmers.gov/service-locator">farmers.gov/service-locator</a>.

If you believe there is an organization conducting a scam related to this process, please contact the USDA Office of the Inspector General (OIG) or any other appropriate authorities. The USDA OIG hotline can be accessed online at <a href="https://usdaoig.oversight.gov/hotline">https://usdaoig.oversight.gov/hotline</a> and by phone at (800) 424-9121.

### **Beginning Farmer Loan Opportunity**

Accessing capital to begin, extend or support an agriculture operation can be especially challenging to new producers. Farm Service Agency's "Beginning Farmer" direct and guaranteed loan programs provide an opportunity for qualified applicants to secure loans from funding set aside for producers who meet the following conditions:

Has operated a farm for not more than 10 years

- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

For more information contact, contact your local USDA service center or visit fsa.usda.gov.



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