Farm Service Agency, Kansas State Office - July 17, 2023

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

Farmers to Receive Documentation of USDA Services

The Farm Service Agency (FSA) provides a receipt to customers who request or receive assistance or information on FSA programs.

The 2014 Farm Bill requires a customer receipt to be issued for any agricultural program assistance requested from FSA, the Natural Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan



assistance provided to an individual or entity. Electronic receipts for acreage reports began on Aug. 1, 2016.

A service is any information, program, or loan assistance provided whether through an office visit, email, fax, or letter.

USDA Announces Corrections to Emergency Relief Program Policy to More Accurately Reflect 2020 and 2021 Natural Disaster Impacts on Crops Intended for On-Farm Use

USDA updated the Emergency Relief Program (ERP) Phase Two to provide a method for valuing losses and accessing program benefits to eligible producers of certain crops, including grapes grown and used by the same producer for wine production or forage that is grown, stored and fed to livestock, that do not generate revenue directly from the sale of the crop. These updates ensure that ERP benefits are more reflective of these producers' actual crop losses resulting from 2020 and 2021 natural disaster events. USDA's Farm Service Agency (FSA) will begin accepting ERP Phase Two applications from eligible wine grape and forage producers once this technical correction to ERP is published in the Federal Register and becomes effective, which it anticipates will be on Friday, June 16, 2023. The deadline to submit applications for ERP Phase Two is July 14.

Background

In January 2023, FSA announced ERP Phase Two, designed to wrap-up and fill remaining gaps in previous natural disaster assistance for 2020 and 2021.

To be eligible for ERP Phase Two, producers must have suffered a decrease in allowable gross revenue in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event. Assistance is primarily for producers of crops that were not covered by Federal Crop Insurance or the Noninsured Crop Disaster Assistance Program since crops covered by Federal Crop Insurance and NAP were included in the assistance under ERP Phase One administered in 2022.

Determining Crop Value

Producers of certain crops now have a method for including crop value in their allowable gross revenue for the purpose of determining ERP Phase 2 benefits.

The value of the eligible crop intended for on-farm use will be based on the producer's actual production of the crop and a price for the crop as determined by FSA's Deputy Administrator for Farm Programs based on the best available data for each crop such as published crop price data or the average price obtained by other producers in the area. Acceptable, published sources including but are not limited to Federal Crop Insurance Corporation established prices, FSA established National Crop Table prices and National Agricultural Statistic Service prices.

Revenue and pricing guidelines for expected revenue for wine grapes and on-farm forage is available online for producer reference and convenience when applying for ERP Phase Two.

Wine grape and forage producers who have already submitted their ERP Phase Two applications to FSA have the option of revising the application and updating their allowable gross revenue to include crop value if applicable.

Producers of crops grown for on-farm use other than wine grapes and forage may request consideration to use a crop's value in their allowable gross revenue. Submit requests to RA.FSA.DCWA2.ppb@wdc.usda.gov. FSA's Deputy Administrator for Farm Programs will review submitted requests.

Additional Technical Corrections – Conservation Programs

In addition to emergency relief policy updates, FSA has also established policy corrections for the Emergency Conservation Program (ECP) and the Emergency Forest Restoration Program (EFRP). The policy correction clarifies that federal payments received for the same practice will be considered duplicative assistance for producers who receive ECP and EFRP program payments. The revised program provisions are related to program updates FSA announced in January that give more farmers, ranchers, and tribes the opportunity to apply for and access programs that support recovery following natural disasters (see <u>January 10, 2023 news</u> <u>release</u> for more information).

ECP and EFRP provide financial and technical assistance to restore conservation practices like fencing, damaged farmland or forests following natural disasters.

More Information

Reporting Organic Crops

If you want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and you select the "organic" option on your NAP application, you must report your crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

You must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- · list of commodities certified
- · name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional, and buffer zone acreage.

USDA Microloans Help Farmers Purchase Farmland and Improve Property

Farmers can use USDA farm ownership microloans to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013.

Microloans can also help with farmland and building purchases and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

USDA Expands Eligibility, Enhances Benefits for Key Disaster Programs

The U.S. Department of Agriculture (USDA) made updates to several conservation, livestock and crop disaster assistance programs to give more farmers, ranchers, and tribes the opportunity to apply for and access programs that support recovery following natural disasters. Specifically, USDA's Farm Service Agency (FSA) expanded eligibility and enhanced available benefits for a suite of its programs. These updates will provide critical assistance to producers who need to rebuild and recover after suffering catastrophic losses of production and infrastructure due to natural disasters.

FSA has updated the following programs: The Emergency Conservation Program (ECP), the Emergency Forest Restoration Program (EFRP), the Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish (ELAP), the Livestock Forage Disaster Program (LFP), the Livestock Indemnity Program (LIP) and the Noninsured Crop Disaster Assistance Program (NAP).

Conservation Disaster Assistance Updates FSA updated ECP to:

- Allow producers who lease Federally owned or managed lands, including tribal trust land, as well as State land the opportunity to participate.
- Provide advance payments, up to 25% of the cost, for all ECP practices before the
 restoration is carried out, an option that was previously only available for fence repair
 or replacement. The cost-share payment must be spent within 60 days.

Additionally, Congress also authorized the Federal government to pay 100% of the ECP and EFRP cost for damage associated with the Hermit's Peak/Calf Canyon Fire in New Mexico. This fire burned over 340,000 acres from April 2022 to June 2022 and was the largest wildfire in recorded history in New Mexico. ECP and EFRP cost-share assistance is typically capped at 75%. This policy change for 100% cost-share applies only to those locations impacted by

the Hermit's Peak/Calf Canyon Fire. ECP and EFRP provide financial and technical assistance to restore conservation practices like fencing, damaged farmland or forests.

Livestock Disaster Assistance Updates

FSA also expanded eligible livestock under ELAP, LFP and LIP. Specifically, horses maintained on eligible grazing land are eligible for ELAP, LFP and LIP. Many family farms and ranches use their forage to raise horses to augment their other agriculture endeavors. FSA recognizes that animals maintained in a commercial agriculture operation, add value to the operation and could be available for marketing from the farm. FSA regulations have been updated to include these animals as eligible livestock

Horses and other animals that are used or intended to be used for racing and wagering remain ineligible.

Ostriches are also now eligible for LFP and ELAP. FSA is making this change because ostriches satisfy more than 50% of their net energy requirement through the consumption of growing forage grasses and legumes and are therefore considered "grazing animals."

This change for ostriches is effective for the 2022 program year for both LFP and ELAP. ELAP requires a notice of loss to be filed with FSA within 30 days of when the loss is first apparent. Because this deadline may have passed for 2022, FSA is extending the deadline for filing notices of loss through March 31, 2023.

LIP and 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 or for loss of grazing acres, feed and forage. LFP provides benefits for grazing losses due to drought and eligible wildfires on federally managed lands.

Noninsured Crop Disaster Assistance

NAP provides financial assistance to producers of non-insurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters. Basic NAP coverage is equivalent to the catastrophic level risk protection plan of insurance coverage, which is based on the amount of loss that exceeds 50% of expected production at 55% of the average market price for the crop.

Previously, to be eligible for NAP coverage, a producer had to submit an application (Form CCC-471) for NAP coverage on or before the application closing date. For 2022, if a producer has a *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification* (Form CCC-860) on file with FSA, it will serve as an application for basic coverage for all eligible crops having a 2022 application closing date and all NAP-related service fees for basic coverage will be waived for these producers.

FSA will notify all eligible producers who already have the CCC-860 certification form on file of their eligibility for NAP basic coverage for 2022. To potentially receive NAP assistance, producers who suffered losses due to natural disasters in 2022 should file an acreage report as well as a notice of loss with the FSA at their local Service Center.

Producers who are interested in obtaining NAP coverage for 2023 and subsequent years should also contact their local FSA county office for information on eligibility, coverage options and applying for coverage.

Reporting Losses

Producers impacted by a natural disaster should report losses and damages and file an application with their <u>FSA county office</u>. Timelines for reporting losses and applying for payments differ by program.

For LIP and ELAP, producers will need to file a Notice of Loss for livestock and grazing or feed losses within 30 days and honeybee losses within 15 days. For LFP, producers must provide a completed application for payment and required supporting documentation to their FSA office within 30 calendar days after the end of the calendar year in which the grazing loss occurred.

For NAP, producers should contact their local FSA office for guidelines on submitting a notice of loss and filing an acreage certification.

Additional Resources

On <u>farmers.gov</u>, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster Assistance-at-a-Glance</u> fact sheet, and <u>Farm Loan Discovery Tool</u> can help producers and landowners determine program or loan options. For assistance with a crop insurance claim, producers and landowners should contact their <u>crop insurance agent</u>. For FSA and Natural Resources Conservation Service programs, contact the local USDA Service Center.



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