

U.S. DEPARTMENT OF AGRICULTURE

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

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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</u> <u>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.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres for that farm.

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 eAuth</u>.

USDA Reminds Specialty Crop Growers of Deadline to Apply for Assistance for 2023 On-Farm Food Safety Expenses

The U.S. Department of Agriculture (USDA) reminds specialty crop growers that assistance is available for producers who incur eligible on-farm food safety program expenses to obtain or renew a food safety certification through the Food Safety Certification for Specialty Crops (FSCSC) program. Producers can apply for assistance on their calendar year 2023 expenses through Jan. 31, 2024.

Program Details

FSCSC assists specialty crop operations that incurred eligible on-farm food safety certification and related expenses pertaining to obtaining or renewing a food safety certification in calendar year 2023. FSCSC covers a percentage of the specialty crop operation's cost of obtaining or renewing its certification, as well as a portion of related expenses.

To be eligible for FSCSC, the applicant must be a specialty crop operation; meet the definition of a small business or very small business; and have paid eligible expenses related to the 2023 certification.

Specialty crop operations may receive assistance for the following costs:

- Developing a food safety plan for first-time food safety certification.
- Maintaining or updating an existing food safety plan.
- Food safety certification.
- Certification upload fees.
- Microbiological testing for products, soil amendments and water.

FSCSC payments are calculated separately for each category of eligible costs. A higher payment rate has been set for socially disadvantaged, limited resource, beginning and veteran farmers and ranchers. Details about the payment rates and limitations can be found at <u>farmers.gov/food-safety</u>.

Applying for Assistance

The FSCSC application period for 2023 closes Jan. 31, 2024. FSA will issue payments after the application period closes. If calculated payments exceed the amount of available funding, payments will be prorated.

Interested specialty crop producers can apply by completing the FSA-888, Food Safety Certification for Specialty Crops Program (FSCSC) application. The application, along with other required documents, can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means.

Specialty crop producers can also call 877-508-8364 to speak directly with a USDA employee ready to assist. Visit <u>farmers.gov/food-safety</u> for additional program details, eligibility information and forms needed to apply.

Tax Resources for USDA Program Participants

Navigating filing taxes can be challenging, especially if you are new to running a farm business, participating in disaster programs for first time, or trying to forecast the farm's tax bill. Receiving funds from USDA through activities such as a conservation program payment or a disaster program is considered farm income that includes a tax liability for farm businesses. USDA technical assistance is free and creates no tax implications.

At the end of the tax year, USDA issues tax forms 1098 and 1099 forms for farm loans, conservation programs administered by the Farm Service Agency and Natural Resource Conservation Service including the Conservation Reserve Program and Environmental Quality Incentives Program, crop disaster payments, and the Market Facilitation Program. USDA also issues tax forms for recipients of assistance for distressed borrowers, including through Section 22006 of the Inflation Reduction Act.

If you have received tax forms related to your operation, USDA cannot and does not provide tax advice but wants you to be aware of options that may help manage your tax liability. USDA has partnered with experts to provide resources to help you make the right tax decisions for your operation. Monthly webinars are available for registration and to view on demand at https://www.farmers.gov/working-with-us/taxes.

The <u>Tax Estimator Tool</u> is an interactive spreadsheet that producers can download to estimate tax liability. It is for informational and educational purposes and should not considered tax or legal advice. Producers may need to work with a tax professional to determine the correct information to be entered in the Tax Estimator Tool.

We encourage you to visit <u>https://www.farmers.gov/working-with-us/taxes</u> for more information on how to find and work with a tax preparer as well as instructions on how to request copies of USDA documents and links to other helpful tax resources.

Applying for Farm Storage Facility Loans

The Farm Service Agency's (FSA) Farm Storage Facility Loan (FSFL) program provides lowinterest financing to help you build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$50,000 can be secured by a promissory note/security agreement, loans between \$50,000 and \$100,000 may require additional security, and loans exceeding \$100,000 require additional security.

You do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

For more information, contact your local USDA Service Center or visit <u>fsa.usda.gov/pricesupport</u>.

January Interest Rates

Click here for January 2024 Lending Rates for Agricultural Producers.

Dates to Remember

January 30, 2024 - Application deadline for LFP and ELAP for 2023 losses

January 31, 2024 - Food Safety Certification for Specialty Crops Program (FSCSC)

January 31, 2024 - Application deadline for 2023 wool and unshorn pelt LDP; application deadline for 2023 wool or mohair <u>loan</u>

February 15, 2024 - NAP Coverage Application Closing date - Early Spring vegetables with a crop reporting date of May 15th. This includes, but is not limited to: asparagus, broccoli, cauliflower, cabbage, greens, horseradish, kale, lettuce, onions, peas and radishes.

February 16, 2024 - Deadline for public input on foreign agriculture land holdings

February 29, 2024 - Application deadline for LIP for 2023 losses.

March 15, 2024 - ARC PLC Election and Enrollment deadline

March 15, 2024 - NAP Coverage Application Closing date - All other yield based crops - this includes but is not limited to watermelons and peppers.

April 15th - August 15th - Primary Nesting Season - to stay in compliance with your CRP contract, If you need to spot mow or spot spray invasive or noxious weeds in CRP, please contact the FSA Office to make a request prior to the action.

May 15, 2024 - Acreage reporting deadline for peas (green only) and potatoes

June 15, 2024 - Acreage reporting deadline for tomatoes

July 15, 2024 - Acreage reporting deadline for beans (limas only), cucumbers (planted 4/20-6/25 in Caroline, Dorchester, Kent and Talbot counties), ALL OTHER CROPS, perennial forage, CRP

July 31, 2024 - Acreage reporting deadline for hemp

August 15, 2024 - Acreage reporting deadline for beans (all types except limas), cucumbers (planted 6/26-8/10 in Caroline, Dorchester, Kent, and Talbot Counties)

September 1, 2024 - NAP Coverage Application Closing date (<u>Noninsured Crop Disaster</u> <u>Assistance Program (NAP) (usda.gov)</u>) – Value-loss crops or controlled environment crops, ornamental nursery, aquaculture, Christmas trees, ginseng, floriculture, mushrooms, and turf grass sod

September 30, 2024 - NAP Coverage Application Closing date (<u>Noninsured Crop Disaster</u> <u>Assistance Program (NAP) (usda.gov)</u>) – Biennial and perennial forage crops, alfalfa, grass forages, mixed forages and other forages

September 30, 2024 - Acreage reporting deadline - Value-loss (ex-oysters) and controlled environment crops (except Nursery)

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