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Meet the Michigan FSA State Office Committee

The newly appointed FSA State Office Committee in Michigan held their first meeting in East Lansing on June 21, 2022.

Left to right in the photo:

- Committee Chair Cheryl Kobernik of Frankfort
- Committee Member Amanda Carey Goodfellow of Morley
- Committee Member Jerry Ann Hebron of Detroit
- Committee Member Ryan Shaw of Marlette
- State Executive Director Tim Boring

Cheryl Kobernik – Organic Cherry Farmer

Cheryl Kobernik returns to the Michigan FSA State Office Committee as the Chair.

"I appreciate the opportunity to serve in this capacity, hoping to contribute for the further enhancement of agriculture in Michigan, which has a great deal to offer," said Kobernik. "I am passionate about Michigan ag and dedicated to raising the bar and supporting our diverse farm owners and operators in all their efforts."

This marks Kobernik's third time serving on the Michigan FSA State Office Committee, previously serving for a total of sixteen years under the Obama and Clinton administrations.



Kobernik is an experienced northern Michigan farmer and the co-owner and co-operator of a sweet and tart cherry farm in Frankfort, Michigan. This year marks her farm's 23rd year of certified organic production and 37th year utilizing USDA programs.

Amanda Carey Goodfellow – Dairy and Row Crop Farmer

Amanda Carey Goodfellow joins the Michigan FSA State Committee from Mecosta County where she farms in partnership with her father on their fifth-generation dairy and row crop farm.

"I think it's important to be involved at every level," said Goodfellow. "I have a deep passion for the industry and enjoy learning about all aspects."

On the farm, Goodfellow says they pride themselves on being efficient and working toward the future, incorporating technology such as robotic milkers for their 180 dairy cows and prescriptions in the field.

Goodfellow has prior experience in ag public service, previously serving on USDA's Beginning Farmer and Rancher Advisory Committee.

Jerry Ann Hebron – Urban Vegetable Farmer

Jerry Ann Hebron joins the Michigan FSA State Committee from a nonprofit urban farm in Detroit.

"I am here to raise awareness of urban ag work in Michigan," said Hebron. "I am passionate about my work in the Detroit ag community and am working to create a path for aspiring urban producers at home and across the state."

For 12 years under Hebron's leadership, her urban farm grows healthy food, hosts educational programs, creates cultural gathering spaces, and generates jobs in the community.

Ryan Shaw – Sustainable Row Crop Farmer

Ryan Shaw joins the Michigan FSA State Committee as a first-time member and long-time farmer.

"With the experience I've gained over the years, I'm here to represent the farmers' perspective," said Shaw. "Supporting Michigan agriculture and securing its future are very important to me."

Ryan Shaw farms 1,400 acres of corn, soybeans, sugar beets, and cereal rye in Michigan's Thumb region. Located within the Saginaw Bay Watershed, his farm prioritizes soil and water conservation utilizing striptillage, controlled traffic, filter strips, pollinator habitat, and cover crops—including interseeding.

About FSA State Committees

Each FSA state committee is comprised of three to five members including a designated chairperson. Members of the FSA state committee are appointed by Secretary of Agriculture Tom Vilsack and are responsible for the oversight of farm programs and county committee operations, resolving program delivery appeals from the agriculture community, maintaining cooperative relations with industry stakeholders, keeping producers informed about FSA programs and operating in a manner consistent with USDA equal opportunity and civil rights policies.

The Farm Service Agency serves farmers, ranchers, foresters, and agricultural partners through the effective, efficient, and equitable delivery of federal agricultural programs. The Agency offers producers a strong safety net through the administration of farm commodity and disaster programs. Additionally, through conservation programs, FSA continues to preserve and protect natural resources and provides credit to agricultural producers who are unable to receive private, commercial credit, including targeted loan funds for beginning, underserved, women and military veterans involved in production agriculture. To learn more, visit <u>usda.gov</u>.

Just Around the Corner

Conservation Reserve Program

Aug. 5 is the application deadline for the Clean Lakes, Estuaries and Rivers 30 (CLEAR30) program.

County Office Committee Elections

Aug. 1 is the deadline to submit nominations for the 2022 County Office Committee Elections.

Farm Record Changes

Aug. 1 is the deadline for requesting farm transfers and reconstitutions.

Urban Agriculture

Aug. 5 is the second meeting of the Federal Advisory Committee for Urban Agriculture and Innovative Production - register here by Aug. 4

More Information

This information is for general awareness. Program deadlines may change or vary by county. Be sure to verify program deadlines for your land or operation by contacting your local USDA Service Center.

Urban Producers, Public Invited to Attend Federal Advisory Committee for Urban Agriculture and Innovative Production

USDA encourages urban producers and others to attend the second public meeting of the Federal Advisory Committee for Urban Agriculture and Innovative Production on August 5.

The Committee will discuss new urban conservation practices, focus areas and priorities for the Commission, and the new Farm Service Agency (FSA) urban county committees, among other topics.

The Committee is part of USDA's efforts to support urban agriculture, creating a network for feedback. Members include agricultural producers, and representatives from the areas of higher education or extension programs, non-profits, business and economic development, supply chains and financing. The inaugural meeting of the Committee was held in March 2022.

About the Meeting

Topics include:

- Focus areas and priorities for the Committee
- Update on USDA's Equity Commission priorities
- Briefing on New urban conservation practices
- Update on FSA urban county committees





The meeting is August 5, 2022 from 1-3 p.m. Eastern. To attend, <u>register by Aug. 4, 2022</u>. The public can register to attend the Committee meeting at <u>zoomgov</u>. Written comments or questions must be submitted by 11:59 p.m. Eastern July 29 through the <u>Federal eRulemaking Portal</u>.

For special accommodations, please contact Tammy Willis at (315) 456-9024 or UrbanAgricultureFederalAdvisoryCommittee@usda.gov.

USDA will post the final agenda 24 to 48 hours prior to the meeting on farmers.gov/urban. For additional information about the Committee or the upcoming meeting please visit the <u>June 30 Federal Register</u> notice and the Committee's webpage.

USDA and **Urban** Agriculture

The Committee is part of a broad USDA investment in urban agriculture. Other efforts include:

Reopening the <u>People's Garden Initiative</u>. People's Gardens across the country grow fresh, healthy
food and support resilient, local food systems; teach people how to garden using sustainable
practices; and nurture habitat for pollinators and wildlife, and greenspace for neighbors.

Offering <u>grants</u> that target areas of food access, education, business and start-up costs for new farmers, and policy development related to zoning and other urban production needs. USDA made available \$14.2 million this year as well as invested \$18.7 million in projects not able to be funded in 2021.

- Offering <u>cooperative agreements</u> that develop and test strategies for planning and implementing municipal compost plans and food waste reduction plans. USDA made available \$10.2 million this year.
- Providing technical and financial assistance through conservation programs offered by USDA's <u>Natural Resources Conservation Service</u> (NRCS).
- Investing \$260,000 for risk management training and crop insurance education for historically underserved and urban producers through partnerships between USDA's <u>Risk Management</u> <u>Agency (RMA)</u> and state universities.
- Announcement of 17 FSA urban county committees.

OUAIP was established through the 2018 Farm Bill. It is led by NRCS and works in partnership with numerous USDA agencies that support urban agriculture. Its mission is to encourage and promote urban, indoor, and other emerging agricultural practices, including community composting and food waste reduction.

Additional resources that may be of interest to urban agriculture entities include grants from USDA's Agricultural Marketing Service and National Institute of Food and Agriculture as well as FSA loans.

USDA Announces Assistance for On-Farm Food Safety Expenses for Specialty Crop Growers

USDA's new <u>Food Safety Certification for Specialty Crops</u> (FSCSC) program helps offset costs for specialty crop producers to comply with regulatory requirements and market-driven food safety certification requirements.

Specialty crop operations can apply for assistance for eligible expenses related to a 2022 food safety certificate issued on or after June 21, 2022.



Program Details

FSCSC assists specialty crop operations that incurred eligible on-farm food safety certification and related expenses related to obtaining or renewing a food safety certification in calendar years 2022 and 2023. For

each year, FSCSC covers a percentage of the specialty crop operation's cost of obtaining or renewing their certification, as well as a portion of their 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 2022 (issued on or after June 21, 2022) or 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 farmers.gov/food-safety.

Applying for Assistance

The FSCSC application is open through January 31, 2023, and the application period for 2023 will be announced at a later date. FSA will issue payments at the time of application approval for 2022 and after the application period ends for 2023. 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.

Producers can visit <u>farmers.gov/food-safety</u> for additional program details, eligibility information and forms needed to apply.

Loan Maturity for Marketing Assistance Loans

Typically, <u>Marketing Assistance Loans (MALs)</u> mature on demand, but no later than the last day of the 9th calendar month after the month the MAL is disbursed. However, with the passage of the Consolidated Appropriations Act of 2021, agricultural producers now have additional time to repay MALs.

The Consolidated Appropriations Act of 2021 provides an extension of the MAL maturity to 12 months. This extension is applicable to nonrecourse loans for all commodities except seed cotton and sugar. Eligible open loans must be in good standing with a maturity date on or after July 31, 2021. New crop year loans



good standing with a maturity date on or after July 31, 2021. New crop year loans (2021) requested by September 30, 2021, will also be eligible for the twelve-month maturity.

All current, active loans will automatically be extended the additional three months. Producers who prefer a nine-month loan maturity will need to notify their local FSA county office. Loans that are requested after September 30, 2021, will have a nine-month maturity.

MALs have a maximum loan maturity term of 12 months, therefore loans that had the maturity extended through the Coronavirus Aid, Relief, and Economic Stability Act of 2020 (CARES Act) are not eligible for an additional extension.

Eligible commodities include barley, chickpeas (small and large), corn, cotton (upland), dry peas, grain sorghum, honey, lentils, mohair, oats, peanuts, rice (long and medium grain), soybeans, unshorn pelts, wheat, wool (graded and nongraded); and other oilseeds, including canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sunflower seed, and sesame seed. Seed cotton and sugar are not eligible.

For more information on MALs, contact your local County USDA Service Center or visit www.fsa.usda.gov.

USDA Offers Water Quality-Focused Program That Builds on CRP Contracts

Clean Lakes, Estuaries, And Rivers initiative (CLEAR30) is a nationwide opportunity for certain landowners and agricultural producers currently implementing water quality practices through the Conservation Reserve Program (CRP) to enroll in 30-year contracts, extending the lifespan and strengthening the benefits of important water quality practices on their land.



Producers may apply for CLEAR30, a voluntary, incentive-based conservation program, from April 1, 2022, through Aug. 5, 2022.

Cropland and certain pastureland currently enrolled in Continuous CRP or the Conservation Reserve Enhancement Program (CREP) and dedicated to an eligible water quality practice such as riparian buffers, contour strips, grass waterways or wetland restoration may be eligible if their contracts are expiring by September 30, 2022.

CLEAR30 contracts will be effective beginning Oct. 1, 2022. These long-term contracts ensure that conservation practices remain in place for 30 years, which improves water quality through reducing sediment and nutrient runoff and helping prevent algal blooms. Conservation in riparian areas also provides important carbon sequestration benefits. Traditional CRP contracts run from 10 to 15 years.

About CLEAR30

CLEAR30 was established in the 2018 Farm Bill to better address water quality concerns. Originally, CLEAR30 was only available in the Great Lakes and Chesapeake Bay watersheds; in 2021, FSA made CLEAR30 available to agricultural producers and landowners nationwide, and participation grew nearly seven-fold from 2020 to 2021.

Annual rental payments for landowners who enroll in CLEAR30 will be equal to the current Continuous CRP annual payment rate plus a **20** percent water quality incentive payment and an annual rental rate adjustment of **27.5** percent.

How to Sign Up

To sign up for CLEAR30, landowners and producers should contact their local <u>USDA Service Center</u> by **Aug. 5, 2022**. Contact information can be found at <u>farmers.gov/service-locator</u>. Additionally, fact sheets and other resources are available at <u>fsa.usda.gov/crp</u>.

More Information

CLEAR30 is an option available through CRP, which is one of the largest voluntary private-lands conservation programs in the United States. CRP was originally intended to primarily control soil erosion and stabilize commodity prices by taking environmentally sensitive lands out of production. The program has evolved over the years, providing numerous conservation and economic benefits. In addition to CLEAR30, signups are also open for Continuous CRP and Grassland CRP.

Last Chance to Submit Nominations for the 2022 County Committee Elections

FSA encourages all farmers, ranchers, and FSA program participants to take part in the local County Committee election nomination process.

FSA's county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.



Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term.

County committees may have an appointed advisor to further represent the local interests of underserved farmers and ranchers. Underserved producers are beginning, women and other minority farmers and ranchers and landowners and/or operators who have limited resources.

All nomination forms for the 2022 election must be postmarked or received in the local USDA Service Center by Aug. 1, 2022. For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: *Eligibility to Vote and Hold Office as a COC Member* available online at: fsa.usda.gov/elections.

Making Farm Reconstitutions

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all of the required signatures



reconstitution is considered to be requested when all of the required signatures are on FSA-155 and all other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

- **Estate Method** the division of bases, allotments and quotas for a parent farm among heirs in settling an estate
- **Designation of Landowner Method** may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method, the

land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding

- **DCP Cropland Method** the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract
- **Default Method** the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

For questions on your farm reconstitution, contact your local <u>USDA Service Center</u>.

Progression Lending from FSA

FSA farm loans are considered progression lending. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.



The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to

meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

More Information

For more information on FSA farm loan programs, contact your local <u>USDA Service Center</u>.

July 2022 Lending Rates

USDA FSA loans provide important access to capital to help agricultural producers start or expand their farming operation, purchase equipment and storage structures or meet cash flow needs.

Operating, Ownership and Emergency Loans

FSA offers farm ownership and operating loans with favorable interest rates and terms to help eligible agricultural producers, whether multi-generational, long-time, or new to the industry, obtain financing needed to start, expand or



maintain a family agricultural operation. FSA also offers emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters or quarantine. For many loan options, FSA sets aside funding for historically underserved producers, including veterans, beginning, women, American Indian or Alaskan Native, Asian, Black or African American, Native Hawaiian or Pacific Islander, and Hispanic farmers and ranchers

Interest rates for Operating and Ownership loans for July 2022 are as follows:

- Farm Operating Loans (Direct): 3.875%
- Farm Ownership Loans (Direct): 4.125%
- Farm Ownership Loans (Direct, Joint Financing): 2.500%
- Farm Ownership Loans (Down Payment): 1.500%
- Emergency Loan (Amount of Actual Loss): 3.750 %

FSA also offers guaranteed loans through commercial lenders at rates set by those lenders. You can find out which of these loans may be right for you by using our Farm Loan Discovery Tool (also available in Spanish).

Commodity and Storage Facility Loans

Additionally, FSA provides low-interest financing to producers to build or upgrade on-farm storage facilities and purchase handling equipment and loans that provide interim financing to help producers meet cash flow needs without having to sell their commodities when market prices are low. Funds for these loans are provided through the Commodity Credit Corporation (CCC) and are administered by FSA.

- Commodity Loans (less than one year disbursed): 3.375%
- Farm Storage Facility Loans:

o Three-year loan terms: 3.000%
o Five-year loan terms: 3.000%
o Seven-year loan terms: 3.125%
o Ten-year loan terms: 3.000%

o Twelve-year loan terms: 3.125%

Sugar Storage Facility Loans (15 years): 3.250%

More Information

Producers can explore available options on all FSA loan options at <u>fsa.usda.gov</u> or by contacting your <u>local USDA Service Center</u>.

Michigan Farm Service Agency

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