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State Executive Director Comments

This week I was excited to attend the State Cattlemen's Association tour in partnership with University of Minnesota Extension. It was fantastic to get out to meet some of our beef producers and to learn more about the research being done to support our beef industry here in Minnesota.

The deadline for crop acreage reporting is tomorrow, July 15. I know this year has been a logistical challenge for many to make decisions and get their crops in across the state. If you have not yet been to your local [FSA Service Center](#) to report acres or prevented planting, the time to call your office is now. Our local staff has been working diligently to get everyone in during the late spring, and they will work with you to find an appointment time to complete this important paperwork.

The deadline for the first phase of the Emergency Relief Program is July 22. Farmers who have their mailed in form need to certify their eligibility and submit that application prior to the deadline. More information on phase two for both the [Emergency Relief Program](#) and the [Emergency Livestock Relief Program](#) will be forthcoming.

Finally, the deadline for nominations for [2022 County Committee](#) member elections is August 1. I encourage nominations from anyone who is interested in serving the farmers and ranchers in their community. County Committees are a critical component to ensuring FSA carries out our mission to equitably serve all farmers through delivery of farm programs.

Respectfully,

Whitney Place, State Executive Director



USDA Accepts More than 3.1 Million Acres in Grassland CRP Signup



The U.S. Department of Agriculture (USDA) is accepting offers for more than 3.1 million acres from agricultural producers and private landowners through this year's Conservation Reserve Program (CRP) Grassland Signup, the highest in history. The signup's results include **over 2,000 acres in Minnesota**. This program allows producers and landowners to continue grazing and haying practices while protecting grasslands and promoting plant and animal biodiversity and conservation, and it's part of the Biden-Harris administration's broader effort to address climate change and to conserve natural resources.

Nationwide, this year's Grassland CRP signup surpassed last year's 2.5 million acres by 22%. So far this year, producers have enrolled 2 million acres through the General Signup and more than 464,000 acres have been submitted through the Continuous CRP Signup. This means about 5.6 million acres are entering CRP in 2023, surpassing the 3.9 million acres expiring this year.

Other highlights include:

- Top states included Colorado (642,000 acres), South Dakota (nearly 425,000 acres) and Nebraska (nearly 422,000 acres).
- States with the highest increase in acres compared with last year include Arizona (141% increase), California (129% increase), and Utah (122% increase).

Because Grassland CRP supports not only grazing operations but also biodiversity and conserving environmentally sensitive land such as that prone to wind erosion, USDA's Farm Service Agency (FSA) created two [National Priority Zones](#) in 2021: the Greater Yellowstone Migration Corridor and Dust Bowl Zone. For this year's signup, FSA expanded the Greater Yellowstone Wildlife Migration Corridor Priority Zone to include seven additional counties across Montana, Wyoming, and Utah, to help protect the big-game animal migration corridor associated with Wyoming elk, mule deer and antelope. FSA accepted offers on more than 1.4 million acres in these two zones.

Grasslands enrolled in CRP help sequester carbon in vegetation and soil, while enhancing resilience to drought and wildfire. Meanwhile, producers can still conduct common grazing practices, such as haying, mowing, or harvesting seed from the enrolled land, which supports ag production.

Broadening Reach of Program

As part of the Agency's Justice40 efforts, producers and landowners who are historically underserved, including beginning farmers and military veterans, will receive 10 additional ranking points to enhance their offers. From more than 5,000 underserved producers, USDA accepted offers of more than 1.9 million acres, about 87% of those who submitted applications.

Additionally, USDA is working to broaden the scope and reach of Grassland CRP by leveraging the [Conservation Reserve Enhancement Program](#) (CREP) to engage historically underserved communities. CREP is a partnership program that enables states, Tribal governments, and non-profit entities to partner with FSA to implement CRP practices and address high priority conservation and environmental objectives. Interested entities are encouraged to contact FSA.

Producers can still make an offer to participate in CRP through the [Continuous CRP Signup](#), which is ongoing, by contacting the FSA at their local [USDA Service Center](#).

USDA Has Issued More Than \$4 Billion in Emergency Relief Program Payments to Date

Agriculture Secretary Tom Vilsack announced that to date, agricultural producers have already received more than \$4 billion through the [Emergency Relief Program](#) (ERP), representing approximately 67% of the more than \$6 billion projected to be paid through this first phase of the program. The U.S. Department of Agriculture (USDA) mailed out pre-filled applications in late May to producers with crop insurance who suffered losses due to natural disasters in 2020 and 2021. Commodity and specialty crop producers have until July 22 to complete applications.

USDA is implementing ERP and ELRP in two phases, with the first phase utilizing existing claim data to provide relief expediently, and the second phase focusing on ensuring producers not covered by other programs receive assistance. For phase one, USDA used crop insurance and [Noninsured Crop Disaster Assistance Program](#) (NAP) claim data.

Both ERP and the previously announced Emergency Livestock Relief Program (ELRP) are funded by the *Extending Government Funding and Delivering Emergency Assistance Act*, which President Biden signed into law in 2021. The law provided \$10 billion to help agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021, of which \$750 million is committed to livestock producers who experienced losses to drought or wildfire in calendar year 2021. Eligible livestock producers received ELRP payments totaling more than \$590 million since the program was rolled out in late March.

Pre-Filled Applications

Eligible producers with eligible crop insurance claims have received pre-filled applications, which included eligibility requirements and payment calculations. Producers received a separate application form for each program year in which they experienced an eligible loss.

Producers should check with the Farm Service Agency (FSA) at their local [USDA Service Center](#) to confirm eligibility and to ensure that all required farm program participation, adjusted gross income and conservation compliance forms are on file. Producers who have previously participated in FSA programs likely have these required forms already on file.

ERP provisions allow for a higher payment percentage for historically underserved producers, including beginning, limited resource, socially disadvantaged and military veteran producers. To qualify for the higher payment rate, individuals must have a Form CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification* on file.

To receive a payment, producers must complete and submit their forms by the July 22 deadline. Once the completed ERP application for payment is submitted to and signed by the FSA, producers enrolled in direct deposit should look for their payment within three business days.

Additional Assistance through Phase One

FSA will be sending pre-filled applications for about 9,000 eligible producers with NAP coverage in mid-July.

The Federal crop insurance data used to populate ERP phase one pre-filled applications included claim data on file with USDA's Risk Management Agency (RMA) as of May 2, 2022. At that time, claim data for the Supplemental Coverage Option (SCO), Enhanced Coverage Option (ECO), Stacked Income Protection Plan (STAX), Margin Protection Plan (MP) or Area Risk Protection Insurance (ARPI) were not complete, so crop/units including these coverage options were not included in the pre-filled ERP application form. In late summer 2022, updated claim information will be used to generate a second pre-filled application for those crop/units with eligible losses on file with RMA not included in the first mailing.

More Information

ERP covers losses to crops, trees, bushes and vines due to a qualifying natural disaster event in calendar years 2020 and 2021. Eligible crops include all crops for which crop insurance or NAP coverage was available, except for crops intended for grazing. Qualifying natural disaster events include wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought and related conditions.

All producers who receive ERP phase one payments are statutorily required to purchase crop insurance or NAP coverage where crop insurance is not available for the next two available crop years.

Producers should contact their local [Service Center](#) if they have questions. Additionally, other resources include:

- [ERP fact sheet](#)
- [ERP Webpage](#)
- [“Top 6 Emergency Relief Program Checklist” blog on farmers.gov](#)
- [May 16, 2022, news release](#)

The second phase of both ERP and ELRP will be aimed at filling gaps and providing assistance to producers who did not participate in or receive payments through the existing programs that are being leveraged for phase one implementation. Through proactive communication and outreach, USDA will keep producers and stakeholders informed as program details are made available.

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 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 County USDA Service Center.

FSA Can Help with On-Farm Propane Storage

Winter months in Minnesota can be long and cold, and for several years, farmers have faced propane storage shortages. FSA's [Farm Storage Facility Loan \(FSFL\) program](#) provides funding for on-farm liquified petroleum tanks.

FSFL low-interest financing can be used to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment, storage and handling trucks. Liquified petroleum tanks are covered for eligible commodities for the use of fuel for grain dryer equipment.

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 conventional operations, small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about FSFLs and how these loans can help with your on-site propane tank storage needs, contact your local County USDA Service Center or visit fsa.usda.gov.

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

The U.S. Department of Agriculture (USDA) is announcing the signup period for its Clean Lakes, Estuaries, And Rivers initiative (CLEAR30) — 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 [USDA Service Center](#) by **Aug. 5, 2022**. Contact information can be found at farmers.gov/service-locator. Additionally, fact sheets and other resources are available at fsa.usda.gov/crp.

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](#).

Applying for NAP Payments

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to you for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

In order to participate, you must obtain NAP coverage for the crop year by the applicable deadline using form CCC-471 "Application for Coverage" and pay the service fee. Application closing dates vary by crop. Producers are also required to submit an acceptable crop acreage report. Additionally, NAP participants must provide:

- The quantity of all harvested production of the crop in which the producer held an interest during the crop year
- The disposition of the harvested crop, such as whether it is marketable, unmarketable, salvaged or used differently than intended
- Acceptable crop production records (when requested by FSA)

Producers who fail to report acreage and production information for NAP-covered crops could see reduced or zero NAP assistance. These reports are used to calculate the approved yield.

If your NAP-covered crops are affected by a natural disaster, notify your FSA office by completing Part B of form CCC-576 "Notice of Loss and Application for Payment." This must be completed within 15 calendar days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date. For hand-harvested crops and certain perishable crops, you must notify FSA within 72 hours of when a loss becomes apparent.

To receive benefits, you must also complete Parts D, E, F and G of the CCC-576 "Notice of Loss and Application for Payment" within 60 days of the last day of coverage for the crop year for any NAP covered crops. The CCC-576 requires acceptable appraisal information. Producers must provide evidence of production and note whether the crop was marketable, unmarketable, salvaged or used differently than intended.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local County USDA Service Center or visit fsa.usda.gov/nap.

Making Your Land More Resilient to Drought

Now that the 2021 crop year has ended, it's time to start planning for 2022 and beyond. Many farmers and ranchers west of the Mississippi River have had a very difficult year in 2021 due to drought. Those in other areas of the country were spared from the worst of the drought this time but may not be as lucky in future years. So, as you're planning for 2022 production, you may want to consider some conservation practices that can help make your land and livestock more resilient to drought and help your bottom line.

USDA's Natural Resources Conservation Service can help you conserve water and build resilience to drought, through conservation practices that improve irrigation efficiency, boost soil health, and manage grazing lands.

Irrigation Efficiency

USDA helps you improve your irrigation efficiency to ensure each drop of water is used wisely. Saving water on your farm can help during drought and can offset rising water costs; reduce expenditures for energy, chemicals, and labor; and enhance revenues through higher crop yields and improved crop quality. Funded conservation practices include conversion to more efficient irrigation systems, such as micro-irrigation or subsurface drip irrigation, installation of irrigation pipeline, irrigation water management, structures for water control, and flow meters. Tools like drip irrigation, which provides water precisely where and when it's needed, can achieve greater precision with flow meters and soil moisture sensors.

Soil Health

In addition, soil health conservation practices, such as reduced- or no-till, cover crops, mulching and residue management can help to make your soil, and the plants you grow or animals you raise, healthier. Healthier soil can absorb and retain more water for longer periods of time, making your farm or ranch more resilient to drought. Using soil health practices, you can conserve water by increasing your soil's water-holding capacity and use conservation tillage to keep the ground covered, reducing water loss through transpiration and evaporation.

And soil health practices increase organic matter, and each pound of organic matter can hold up to 20 pounds of water. Every 1% increase in organic matter results in as much as 25,000 gallons of soil water per acre. Each 1% increase in organic matter can also provide up to 30 pounds of more available nitrogen per acre. That means less money and time spent on inputs like water and fertilizer, which make your operation more profitable.

Rotational/Prescribed Grazing, Water Sources for Livestock

Drought also impacts grazing lands, and NRCS works with you to increase the resilience of your livestock operation. Ranchers can adapt to dry conditions in two main ways: increasing the availability and suitability of forage and ensuring that cattle have an adequate and reliable source of water. For forage, rotational or prescribed grazing (rotating cattle among pastures) can relieve pressure on stressed vegetation and ensure a more consistent supply of forage for animals. NRCS conservationists can also work with you to plant more drought-tolerant forage species, plants best suited to local soils and conditions. For reliable sources of water, NRCS can help you with installing watering facilities, water wells, or water pipeline for livestock. Having available forage and water for livestock can make a big difference in difficult drought conditions.

USDA and NRCS are here for you, helping you recover from drought and prepare for the next one. For more information on drought recovery assistance at <https://www.farmers.gov/protection-recovery/drought#recovery>. For more information on conservation practices to make your operation more resilient to drought in future years, go to www.nrcs.usda.gov.

Preauthorized Debit Available for Farm Loan Borrowers



USDA's Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful if you use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at rd.usda.gov/publications/regulations-guidelines. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three-month period, the preauthorized debit agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local County USDA Service Center or visit fsa.usda.gov.

Borrower Training for Farm Loan Customers

Borrower training is available for all Farm Service Agency (FSA) customers. This training is required for all direct loan applicants, unless the applicant has a waiver issued by the agency.

Borrower training includes instruction in production and financial management. The purpose is to help the applicants develop and improve skills that are necessary to successfully operate a farm and build equity in the operation. It aims to help the producer become financially successful. Borrower training is provided, for a fee, by agency approved vendors. Contact your local FSA Farm Loan Manager for a list of approved vendors.

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Federal relay), (866) 377-8642 (Relay voice users).