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State Executive Director Comments



The Farm Service Agency has joined Facebook! Like our page for program updates.

The USDA National Agricultural Statistics Service (NASS) <u>2022 Census of Agriculture</u> was released this week. Thank you to all the farmers who took the time to fill out the survey. This is an important tool we have to understand what is happening across agriculture in the U.S. and in Minnesota. Some initial highlights of the data include:

- The number of farms in Minnesota has decreased since the 2017 Census to 65,531.
- The average Minnesota farm size increased by 4.6 percent, or to 388 acres since the 2017 Census.
- The average age of famers in Minnesota increased to 57.1 years old.
- The new and beginning farmers in Minnesota (farming 10 years or less) make up 26 percent of Minnesota farms.
- Women made up 31 percent of producers in Minnesota.

Please get into your local service center to make your ARC/PLC election if you're a program participant. The University of Minnesota Extension hosted an informational webinar this week on considerations to make when filing your elections. The recorded webinar can be found <u>here</u>.

USDA's Agricultural Marketing Service (AMS) recently announced it has a cooperative agreement with Minnesota under the Resilient Food Systems Infrastructure Program (RFSI). Through this agreement, USDA and Minnesota are working together to offer over \$9.5 million in competitive grant funding for projects designed to build resilience across the middle of the supply chain. Those interested in receiving a sub award should apply directly through the <u>Minnesota Department of Agriculture</u> by April 3, 2024. AMS encourages applications that serve smaller farms and ranches, new and beginning farmers and ranchers, underserved producers, veteran producers, and underserved communities.

The Minnesota Department of Agriculture is offering a new one-time grant program called Protecting Livestock to help farmers and ranchers 1) buy and install supplies or equipment that will protect livestock from emerging diseases, 2) help manage disease outbreaks, and/or 3) physically protect livestock that are not covered by exiting depredation programs. Applications will be accepted until March 7. Additional information can be found <u>online</u>.

The University of Minnesota Extension is hosting multi-generational farm transition retreats in several locations across the state in February and March. If you're interested in learning more about farm transition, this retreat will provide hands-on planning and discussion for the whole farm family. Register and check out additional details <u>here</u>.

Respectfully,

Whitney Place, State Executive Director

Minnesota FSA is Hiring in Multiple Locations

The Farm Service Agency (FSA) is an exciting and rewarding place to start, build, and/or continue your career. Be part of our team and support the well-being of Minnesota agriculture and the American public.

FSA's diverse culture and benefits allow for a healthy balance between your career and home life. In addition to a generous salary, FSA offers a friendly and professional working environment with a diverse workforce, flexible hours/work schedules, and other family-friendly benefits such as: paid vacation and sick leave, paid holidays, retirement and supplemental savings plan, a wide array of health, dental, vision, and life insurance plans, flexible spending accounts, twelve weeks of paid parental leave with FMLA eligibility, and long-term care insurance. Working for the U.S. Department of Agriculture (USDA) will afford you the opportunity to contribute to projects that positively impact the lives of over 300 million people. Explore a career with the USDA at www.usajobs.gov.

New job openings are posted on a regular basis. Interested individuals can search for career opportunities based upon keywords and/or specific locations as well as create search profiles and job announcement notifications. Currently, Minnesota FSA is seeking candidates to perform work in support of Minnesota agriculture and farmers in a number of locations across the state. Individuals who are interested in applying for these job opportunities will need to apply online at <u>www.usajobs.gov</u>. Applicants may enter the appropriate job announcement number below into the keyword search or click on the applicable link(s).

Expanded County Executive Director:

 Thief River Falls, MN - Pennington & Red Lake County <u>FSACO-12297441-24-MN-KM</u> Application period: 2/5/2024 to 2/26/2024

Student Trainee (Loan Specialist) with Incentive:

 Marshall, MN - Lyon County <u>FSA-24-12310240-PW-NW-BC</u> Application period: 2/12/2024 to 2/23/2024

Student Trainee (Program Technician) with Incentive:

 Multiple Locations - Big Stone, Blue Earth, Clay, Dakota, Houston, Lac qui Parle, Lyon, McLeod, Meeker, Norman, Sherburne, Wright Counties <u>FSA-24-12310319-PW-NW-BC</u> Application period: 2/12/2024 to 2/23/2024

Farm Loan Manager:

 Thief River Falls, MN or Bemidji, MN - Pennington or Beltrami County <u>FSA-24-12308690-DE-MN-MM</u> Application period: 2/12/2024 to 2/26/2024

Farm Loan Analyst:

Roseau, MN - Roseau County
 FSA-24-12309004-DE-MN-MM
 Application period: 2/12/2024 to 2/26/2024

Program Technician:

- Marshall, MN Lyon County (with 25% incentive) <u>FSACO-12303134-24-MN-KM</u> Application period: 2/12/2024 to 3/4/2024
- Worthington, MN Nobles County <u>FSACO-12315637-24-MN-KM</u> Application period: 2/20/2024 to 3/5/2024
- Fairmont, MN Martin County <u>FSACO-12315617-24-MN-KM</u> Application period: 2/20/2024 to 3/5/2024
- Mora, MN Kanabec County <u>FSACO-12316565-24-MN-KM</u> Application period: 2/20/2024 to 3/5/2024

Questions? Please visit the job posting linked above for additional information.

USDA Now Accepting Farm Loan Payments Online

Pay My Loan feature can be accessed on farmers.gov

The U.S. Department of Agriculture (USDA) announced that most farm loan borrowers will soon be able to make payments to their direct loans online through the Pay My Loan feature on <u>farmers.gov</u> in early February. Pay My Loan is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, especially for producers who may have



limited time during the planting or harvest seasons to visit a local FSA office; modernize and improve customer service; provide additional customer self-service tools; and expand credit access to assist more producers.

On average, local USDA Service Centers process more than 225,000 farm loan payments each year. Pay My Loan gives most borrowers an online repayment option and relieves them from needing to call, mail, or visit a Service Center to pay their loan installment. Farm loan payments can now be made at the borrower's convenience, on their schedule and outside of FSA office hours.

Pay My Loan also provides time savings for FSA's farm loan employees by minimizing manual payment processing activities. This new service for producers means that farm loan employees will have more time to focus on reviewing and processing new loans or servicing requests.

The Pay My Loan feature can be accessed at farmers.gov/loans. To use the payment feature, producers must establish a USDA customer account and a <u>USDA Level 2 eAuthentication</u> (<u>"eAuth") account or a Login.gov account</u>. This initial release only allows individuals with loans to make online payments. For now, borrowers with jointly payable checks will need to continue to make loan payments through their local office.

FSA has a significant initiative underway to streamline and automate the Farm Loan Program customer-facing business process. For the over 26,000 producers who submit a direct loan application annually, FSA has made various improvements including:

- The <u>Online Loan Application</u>, an interactive, guided application that is paperless and provides helpful features including an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet, and build a farm operating plan.
- The <u>Loan Assistance Tool</u> that provides customers with an interactive online, step-bystep guide to identifying the direct loan products that may be a fit for their business needs and to understanding the application process.
- A <u>simplified direct loan paper application</u>, which reduced loan applications by more than half, from 29 pages to 13 pages.

More Information

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <u>www.usda.gov</u>.

USDA to Issue \$306 Million in Final Payments to Producers Impacted by 2020 and 2021 Natural Disasters

The U. S Department of Agriculture (USDA) is issuing final <u>Emergency Relief Program</u> (ERP) payments totaling approximately \$306 million to eligible commodity and specialty crop producers who incurred losses due to natural disasters in 2020 and 2021. USDA's Farm Service Agency (FSA) will begin issuing these additional payments to eligible producers this week.

Recipients of the additional payment are limited to those producers who received ERP Phase One payments from FSA that were calculated based on crop insurance indemnities. Initially, ERP Phase One payments to producers who were indemnified through Federal crop insurance, were subject to a 75% payment factor. FSA has since determined that adequate funding exists to provide an additional 3.5% ERP Phase One payment to producers who had crop insurance increasing the overall payment factor to 78.5%. These additional ERP Phase One payments are subject to FSA payment limitation provisions as outlined in the <u>ERP Phase</u> <u>One fact sheet</u>.

Because ERP Phase One payments to producers of noninsured crops covered by FSA NAP policies were originally paid at 100%, there will be no additional payments issued to these producers for 2020 and 2021 losses.

The Extending Government Funding and Delivering Emergency Assistance Act, 2021 (P.L. 117-43) provided \$10 billion in assistance to agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021. In 2022, FSA implemented ERP Phase One, which delivered \$7.5 billion in payments to commodity and specialty crop producers. For Phase One, ERP used a streamlined process with pre-filled application forms, leveraging crop insurance indemnities or Noninsured Crop Disaster Assistance Program (NAP) payments on file with USDA.

Separately, through the Disaster Relief Supplemental Appropriations Act, 2023 (P.L. 117-328) Congress allocated approximately \$3.2 billion in funding to cover necessary expenses related to losses of revenue, quality or production losses of crops. Enrollment is ongoing for ERP 2022, which covers losses to crops, trees, bushes and vines due to qualifying, calendar year 2022 natural disaster events including wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought and related conditions.

FSA Is Accepting CRP Continuous Enrollment Offers



The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the <u>Conservation Reserve Program (CRP) Continuous Signup</u>.

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program's long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

For more information, including a list of acceptable practices, contact your local USDA Service Center or visit <u>fsa.usda.gov/crp</u>.

Disaster Assistance Available for Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to you for livestock deaths in excess of normal mortality caused by adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

For disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

For 2023 livestock losses, you must file a notice and provide the following supporting documentation to your local FSA office no later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of grower's contracts
- Proof of normal mortality documentation
- Livestock beginning inventory documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle = 5%. These established percentages reflect losses that are considered expected or typical under "normal" conditions.

In addition to filing a notice of loss, you must also submit an application for payment by March 1, 2024.

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

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, farm combinations and farm divisions must be requested by **August 1 of the fiscal year** 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 USDA Service Center.

Communication Is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be successful. FSA staff will provide guidance and counsel from the loan application process through the borrower's graduation to commercial credit. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation
- Any significant changes to family income or expenses
- The development of problem situations
- Any losses or proposed significant changes in security

If a farm loan borrower can't make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

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

Tree Assistance Program

If you're an orchardist or nursery tree grower who experienced losses from natural disasters during calendar year 2023, you must submit a TAP application either 90 calendar days after the disaster event or the date when the loss is apparent.



TAP provides financial assistance to help you replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of 15 percent mortality from an eligible natural disaster, plus an adjustment for normal mortality. The eligible trees, bushes or vines must have been owned when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which you can receive TAP payments, cannot exceed 1,000 acres annually.

Report Banking Changes to FSA

Farm Service Agency (FSA) program payments are issued electronically into your bank account. In order to receive timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for any reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2019 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2020. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

Malted Grains and Maple Syrup Eligible for Farm Storage Facility Loans



Malted small grains and maple syrup are now eligible for Farm Storage Facility Loans (FSFL) through the USDA Farm Service Agency (FSA).

FSFLs provide low-interest financing to help you build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

Eligible malted small grains include barley, oats, rice, rye and wheat. Maple sap is used to produce maple syrup.

The low-interest funds can be used for:

- bottler or filling systems for maple syrup, excluding containers
- equipment to improve, maintain, or monitor the quality of stored FSFL commodities, such as cleaners, moisture testers, heat detectors, along with a proposed storage facility
- handling and drying equipment determined by the County Committee to be needed and essential to the proper functioning of a storage system
- electrical equipment, such as pumps, lighting, motors, and wiring, integral to the proper operation of the storage and handling equipment, excluding installing electric service to the electrical meter.

FSFLs are not available for the actual processing of the small grain into the malted commodity or maple sap into maple syrup. Additionally, purchased commodities are not eligible for FSFLs.

The following storage and handling equipment is ineligible for FSFLs:

- boiling equipment
- feed handling and processing equipment
- production and feed facilities
- structures of a temporary nature not having a useful life of the term of the loan
- maple sap tubing and pumping systems.

Loans up to \$50,000 can be secured by a promissory note/security agreement, 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>.

USDA Now Accepting Applications for Farm Loans Online

The U.S. Department of Agriculture (USDA) has launched an <u>online application for Direct</u> <u>Loan customers</u>. More than 26,000 customers who submit a Direct Loan application each year can now use an online, interactive, guided application that is paperless and provides helpful features including an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet and build a farm operating plan. This tool is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, improve customers service, and expand credit access.

The online farm loan application replicates the support an applicant would receive when completing a loan application in person with an FSA Farm Loan Officer, while continuing to provide customers with one-on-one assistance as needed. This tool and other process improvements allow farmers and ranchers to submit complete loan applications and reduce the number of incomplete and withdrawn applications.

Through a personalized dashboard, borrowers can track the progress of their loan application. It can be accessed on <u>farmers.gov</u> or by completing FSA's Loan Assistance Tool at <u>farmers.gov/loan-assistance-tool</u>. To use the online loan application tool, producers must establish a USDA customer account and a <u>USDA Level 2 eAuthentication ("eAuth") account or a Login.gov account</u>. For the initial stage, the online application tool is only available for producers who will be, or are currently, operating their farm as an individual. FSA is expanding the tools availability to married couples applying jointly and other legal entities in 2024.

Farm Loan Improvement Efforts

FSA has a significant initiative underway to streamline and automate Farm Loan Program customer-facing business processes. For the over 26,000 producers who submit a Direct Loan application to FSA annually, and its 85,000 Direct Loan borrowers, FSA has made improvements this year, including:

- A simplified direct loan paper application, reduced from 29 pages to 13 pages.
- The <u>Loan Assistance Tool on farmers.gov</u> that provides customers with an interactive online, step-by-step guide to identifying the Direct Loan products that may be a fit for their business needs and to understanding the application process.

More Information

FSA continues to accept and review individual requests for assistance from borrowers who took certain extraordinary measures to avoid delinquency on their direct FSA loans or those who missed a recent installment or are unable to make their next scheduled installment. All requests for assistance must be received by Dec. 31, 2023. For more information, or to submit a request for assistance, producers can contact their local <u>USDA Service Center</u> or visit farmers.gov/inflation-reduction-investments/assistance.

The Inflation Reduction Act, a historic, once-in-a-generation investment and opportunity for agricultural communities, provided \$3.1 billion for USDA to provide relief for distressed borrowers with certain FSA direct and guaranteed loans and to expedite assistance for those

whose agricultural operations are at financial risk. Since October 2022, USDA has provided approximately \$1.6 billion in immediate assistance to more than 27,000 financially distressed direct and guaranteed FSA loan borrowers.

Reminder: Insurance Linkage Requirements for Payments Received Through the Emergency Relief Program

Producers who received an Emergency Relief Program (ERP) payment need to meet ERP insurance linkage requirements by purchasing crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage at the 60/100 level or higher for the next two available crop years, which will be determined from the date you received an ERP payment and may vary depending on the timing and availability of coverage. The insurance coverage requirement applies to the physical location of the county where the crop was located and for which an ERP payment was issued.

Contact your crop insurance agent or local FSA county office as soon as possible to ask about coverage options. Producers who do not obtain the applicable coverage by the sales/application closing date will be required to refund the ERP benefits received on the applicable crop, plus interest. To determine which crops are eligible for federal crop insurance or NAP, visit the <u>RMA website</u>.

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



Minnesota USDA Farm Service Agency

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Minnesota Farm Service Agency State Executive Director: Whitney Place To find contact information for your local USDA Farm Service Agency Office go to: <u>www.fsa.usda.gov/mn</u>

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Eunice Biel, Committee Chairperson Hannah Bernhardt, Committee Member Kurt Blomgren, Committee Member Lisa Brunner, Committee Member Tim Velde, Committee Member

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).

