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

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# USDA Expands Assistance to Cover Feed Transportation Costs for Drought-Impacted Ranchers

In response to the severe drought conditions in the West and Great Plains, the U.S. Department of Agriculture (USDA) announced today its plans to help cover the cost of transporting feed for livestock that rely on grazing. USDA is updating the <a href="Emergency Assistance for Livestock">Emergency Assistance for Livestock</a>, <a href="Honeybees">Honeybees</a> and <a href="Farm-Raised Fish Program (ELAP)</a> to immediately cover feed transportation costs for drought impacted ranchers. USDA's Farm Service Agency (FSA) will provide more details and tools to help ranchers get ready to apply at their local USDA Service Center later this month at <a href="fsa.usda.gov/elap.">fsa.usda.gov/elap.</a>

ELAP provides financial assistance to eligible producers of livestock, honeybees, and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions as determined by the Secretary of Agriculture.

ELAP already covers the cost of hauling water during drought, and this change will expand the program beginning in 2021 to cover feed transportation costs where grazing and hay resources have been depleted. This includes places where:

- Drought intensity is D2 for eight consecutive weeks as indicated by the <u>U.S.</u>
   <u>Drought Monitor</u>;
- Drought intensity is D3 or greater; or

USDA has determined a shortage of local or regional feed availability.

Cost share assistance will also be made available to cover eligible cost of treating hay or feed to prevent the spread of invasive pests like fire ants.

Under the revised policy for feed transportation cost assistance, eligible ranchers will be reimbursed 60% of feed transportation costs above what would have been incurred in a normal year. Producers qualifying as underserved (socially disadvantaged, limited resource, beginning or military veteran) will be reimbursed for 90% of the feed transportation cost. above what would have been incurred in a normal year.

A national cost formula, as established by USDA, will be used to determine reimbursement costs which will not include the first 25 miles and distances exceeding 1,000 transportation miles. The calculation will also exclude the normal cost to transport hay or feed if the producer normally purchases some feed. For 2021, the initial cost formula of \$6.60 per mile will be used (before the percentage is applied), but may be adjusted on a state or regional basis.

To be eligible for ELAP assistance, livestock must be intended for grazing and producers must have incurred feed transportation costs on or after Jan. 1, 2021. Although producers will self-certify losses and expenses to FSA, producers are encouraged to maintain good records and retain receipts and related documentation in the event these documents are requested for review by the local FSA County Committee. The deadline to file an application for payment for the 2021 program year is Jan. 31, 2022.

USDA offers a comprehensive portfolio of disaster assistance programs. On farmers.gov, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster Assistance-at-a-Glance fact sheet</u>, and <u>Farm Loan Discovery Tool</u> can help producers and landowners determine all program or loan options available for disaster recovery assistance.

More information on this expansion to ELAP is forthcoming. In the meantime, more information is available at <u>fsa.usda.gov/elap</u> or by contacting a <u>local USDA Service Center</u>.

# USDA Accepting Applications to Help Cover Costs for Organic Certification

USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for USDA funds to assist with the cost of receiving and maintaining organic certification through the <u>Organic Certification Cost Share Program</u> (OCCSP). Applications for eligible certification expenses paid between Oct. 1, 2020, and Sept. 30, 2021, are due Nov. 1, 2021.

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Producers can be reimbursed for expenses including application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

For 2021, OCCSP will reimburse 50 percent of a certified operation's allowable certification costs, up to a maximum of \$500 for each of the following categories or "scopes:"

- crops
- wild crops
- livestock
- processing/handling
- State organic program fees.

Organic farmers and ranchers may apply through an FSA county office or a participating state agency.

#### More Information

To learn more about organic certification cost share, please visit the <a href="OCCSP">OCCSP</a> webpage, visit <a href="usda.gov/organic">usda.gov/organic</a>, or contact your <a href="usda.gov/organic">local USDA Service Center</a>.

# **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.

# Submit Loan Requests for Financing Early

The Farm Loan team in Nevada is already working on operating loans for spring 2022 and asks potential borrowers to submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

**Microloans** are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

**Marketing Assistance Loans** allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

**Farm Storage Facility Loans** can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

# Disaster Set-Aside Program for Farm Loan Borrowers

Farm Service Agency (FSA) borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and relieves immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

# Applying for FSA Direct Loans

FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain, or strengthen their farm or ranch. Direct loans are processed, approved and serviced by FSA loan officers.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance, and other costs including family living expenses.

Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.



# Conservation Funding Aims to Extend Growing Seasons, Improve Irrigation Efficiency, Protect and Enhance Wildlife Habitat, Manage Livestock and Reduce Soil Loss

# Apply by November 19 for Fiscal Year 2022 EQIP and AMA Funding

Reno, Nev.—The Natural Resources Conservation Service (NRCS) is offering financial and technical assistance to help agricultural producers apply conservation practices on their private land as well as their public land allotments. Agricultural producers are encouraged to apply for funds available through the <a href="Environmental Quality Incentives">Environmental Quality Incentives</a> <a href="Program (EQIP">Program (EQIP)</a>) and <a href="Agricultural Management Assistance (AMA)">Agricultural Management Assistance (AMA)</a> <a href="Program">Program</a>. Applications must be received before 4 p.m. on November 19, 2021 to be considered in the first batching period.

"High tunnels have been effective in Nevada to extend growing seasons and NRCS' AMA program can help producers accomplish this," said Mustapha Abouali, Nevada NRCS assistant state conservationist for programs. "The Lattins of Lattin Farms in Fallon are a great example. They have had a <u>relationship with NRCS for decades</u>, and by working together, they have improved their irrigation efficiency through EQIP and installed several high tunnels through AMA."

"We had been experimenting with high tunnels for some time and found that they extended our season, increased our yields, and let us sell crops that don't do well outside due to our weather situations," said Rick Lattin.

Applications for EQIP and AMA are accepted year-round on a continuous basis with batching periods announced so that applications can be ranked and funded.

#### **About EQIP**

EQIP is a voluntary, financial and technical assistance program that provides funding to agricultural producers and non-industrial forest managers to address natural resource concerns and deliver environmental benefits such as improved water and air quality, conserved ground and surface water, increased soil health and reduced soil erosion and sedimentation, improved or created wildlife habitat, and mitigation against drought and increasing weather volatility.

### 2018 Farm Bill EQIP Updates:

<u>Historically underserved</u> (HU) participants are eligible for <u>advance payments</u> to help offset costs related to purchasing materials or contracting services through EQIP. HU participants may elect to receive an advance of not less than 50 percent of the EQIP conservation practice payment amount. Participants who receive advance payment must expend the funds within 90 days of receiving the advance.

The 2018 Farm Bill expanded eligibility criteria to allow water management entities who assist private agricultural producers with managing water distribution or conservation systems to apply for EQIP. These entities are defined as State, irrigation district, ground water management district, acequia, land grant-merced, or similar entity that has jurisdiction or responsibilities related to water delivery or management to eligible lands.

#### **About AMA**

AMA program funds can help producers use conservation to construct or improve watershed management structures or irrigation structures, install high tunnels, plant trees to form windbreaks or to improve water quality. AMA funding can also mitigate financial risk through production or marketing diversification, or the implementation of resource conservation practices including soil erosion control, integrated pest management or the transition to organic farming.

Persons or legal entities cannot receive more than \$50,000 in AMA program payments per fiscal year. Participants are not subject to Highly Erodible Land and Wetland Conservation provisions of the Food Security Act of 1985. NRCS administers the AMA conservation provisions, while the USDA's Agricultural Marketing Service and Risk Management Agency implement other provisions under AMA.

Applicants must meet USDA program eligibility requirements for land eligibility and person eligibility. Eligibility requirements include Adjusted Gross Income (AGI) limitations for individuals and entities. Applicants must meet the eligibility criteria to be considered for ranking and funding decisions. Farm Bill programs have strict payment limits, and the amount of financial assistance producers may receive varies by program and will depend on future allocations received under the Farm Bill authority. Limited resource producers, beginning farmers and ranchers, or socially disadvantaged agricultural producers may be eligible for up to 15 percent higher payments, not to exceed 90 percent of the estimated cost to install the practice.

<u>Watch the video</u> on the NRCS Nevada YouTube channel to see how establishing a relationship with NRCS can benefit your farm or ranch, like the Lattins. To view Nevada payment schedules, visit: <a href="https://bit.ly/2K4PkRt">https://bit.ly/2K4PkRt</a>. To learn more about EQIP, visit: <a href="https://bit.ly/3BSVTfP">https://bit.ly/3BSVTfP</a> and to learn more about AMA, visit: <a href="https://bit.ly/2Xs5c7l">https://bit.ly/3BSVTfP</a> and to learn more about AMA, visit: <a href="https://bit.ly/2Xs5c7l">https://bit.ly/2Xs5c7l</a>, or contact your local NRCS office.

# The Importance of Responding to NASS Surveys

USDA's National Agricultural Statistics Service (NASS) conducts hundreds of surveys every year and prepares reports covering virtually every aspect of U.S. agriculture.

If you receive a survey questionnaire, please respond quickly and online if possible.

The results of the surveys help determine the structure of USDA farm programs, such as soil rental rates for the Conservation Reserve Program and prices and yields used for the Agriculture Risk Coverage and Price Loss Coverage programs. This county-level data is critical for USDA farm payment determinations. Survey responses also help associations, businesses and policymakers advocate for their industry and help educate others on the importance of agriculture.

NASS safeguards the privacy of all respondents and publishes only aggregate data, ensuring that no individual operation or producer can be identified.

NASS data is available online at <a href="mass.usda.gov/Publications">nass.usda.gov/Publications</a> and through the searchable <a href="Quick Stats database">Quick Stats database</a>. Watch a video on how NASS data is used at <a href="youtube.com/watch?v=m-4zjnh26io&feature=youtu.be">youtube.com/watch?v=m-4zjnh26io&feature=youtu.be</a>.

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