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Showcase Your Season with #Plant2022



This planting season let's highlight the innovation and leadership demonstrated by conservation-minded farmers in our #Plant2022 campaign. We'll share your photos and stories on social media, blogs, and a nationwide storymap.

Learn more (https://go.usa.gov/xuTqi)

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 <u>USDA Service</u> <u>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.

USDA to Provide Payments to Livestock Producers Impacted by Drought or Wildfire

The U.S Department of Agriculture (USDA) today announced that ranchers who have approved applications through the 2021 Livestock Forage Disaster Program (LFP) for forage losses due to severe drought or wildfire in 2021 will soon begin receiving emergency relief payments for increases in supplemental feed costs in 2021 through the Farm Service Agency's (FSA) new <u>Emergency Livestock Relief Program (ELRP)</u>.



Background

On September 30, 2021, President Biden signed into law the *Extending Government Funding and Delivering Emergency Assistance Act* (P.L. 117-43). This Act includes \$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. Additionally, the Act specifically targets \$750 million to provide assistance to livestock producers for losses incurred due to drought or wildfires in calendar year 2021. ELRP is part of FSA's implementation of the Act.

For impacted producers, USDA will leverage LFP data to deliver immediate relief for increases in supplemental feed costs in 2021. LFP is an important tool that provides up to 60% of the estimated replacement feed cost when an eligible drought adversely impacts grazing lands or 50% of the monthly feed cost for the number of days the producer is prohibited from grazing the managed rangeland because of a qualifying wildfire.

FSA received more than 100,000 applications totaling nearly \$670 million in payments to livestock producers under LFP for the 2021 program year.

Congress recognized requests for assistance beyond this existing program and provided specific funding for disaster-impacted livestock producers in 2021.

ELRP Eligibility - Phase One

To be eligible for an ELRP payment under phase one of program delivery, livestock producers must have suffered grazing losses in a county rated by the U.S. Drought Monitor as having a D2 (severe drought) for eight consecutive weeks or a D3 (extreme drought) or higher level of drought intensity during the 2021 calendar year, and have applied and been approved for 2021 LFP. Additionally, producers whose permitted grazing on federally managed lands was disallowed due to wildfire are also eligible for ELRP payments, if they applied and were approved for 2021 LFP.

As part of FSA's efforts to streamline and simplify the delivery of ELRP phase one benefits, producers are not required to submit an application for payment; however, they must have the following forms on file with FSA within a subsequently announced deadline as determined by the Deputy Administrator for Farm Programs:

- CCC-853, Livestock Forage Disaster Program Application
- Form AD-2047, Customer Data Worksheet.
- Form CCC-902, Farm Operating Plan for an individual or legal entity.
- Form CCC-901, Member Information for Legal Entities (if applicable).
- Form FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs (if applicable).
- Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, if applicable, for the 2021 program year.
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 *Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification*) for the ELRP producer and applicable affiliates.

ELRP Payment Calculation - Phase One

To further expedite payments to eligible livestock producers, determine eligibility, and calculate an ELRP phase one payment, FSA will utilize livestock inventories and drought-affected forage acreage or restricted animal units and grazing days due to wildfire already reported by the producer when they submitted a 2021 CCC-853, *Livestock Forage Disaster Program Application* form.

Phase one ELRP payments will be equal to the eligible livestock producer's gross 2021 LFP calculated payment multiplied by a payment percentage, to reach a reasonable approximation of increased supplemental feed costs for eligible livestock producers in 2021.

The ELRP payment percentage will be 90% for historically underserved producers, including beginning, limited resource, and veteran farmers and ranchers, and 75% for all other producers. These payments will be subject to a payment limitation.

To qualify for the higher payment percentage, eligible producers must have a CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, form on file with FSA for the 2021 program year.

Payments to eligible producers through phase one of ELRP are estimated to total more than \$577 million.

ELRP - Phase Two

Today's announcement is only Phase One of relief for livestock producers. FSA continues to evaluate and identify impacts of 2021 drought and wildfire on livestock producers to ensure equitable and inclusive distribution of much-needed emergency relief program benefits.

Emergency Relief Program (ERP) Assistance for Crop Producers

FSA is developing a two-phased process to provide assistance to diversified, row crop and specialty crop operations that were impacted by an eligible natural disaster event in calendar years 2020 or 2021.

This program will provide assistance to crop producers and will follow a two-phased process similar to that of the livestock assistance with implementation of the first phase in the coming weeks. Phase one of the crop assistance program delivery will leverage existing Federal Crop Insurance or Noninsured Crop Disaster Assistance Program data as the basis for calculating initial payments.

Making the initial payments using existing safety net and risk management data will both speed implementation and further encourage participation in these permanent programs, including the Pasture, Rangeland, Forage Rainfall Index Crop Insurance Program, as Congress intended.

The second phase of the crop program will be intended to fill additional assistance gaps and cover eligible producers who did not participate in existing risk management programs.

Through proactive communication and outreach, USDA will keep producers and stakeholders informed as ERP implementation details are made available.

Additional Livestock Drought Assistance

Due to the persistent drought conditions in the Great Plains and West, FSA will be offering additional relief through the Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP) to help ranchers cover above normal costs of hauling livestock to forage. This policy enhancement complements previously announced ELAP compensation for hauling feed to livestock. Soon after FSA announced the assistance for hauling feed to livestock, stakeholders were quick to point out that producers also were hauling the livestock to the feed source as well and encouraged this additional flexibility.

It is important to note that, unlike ELRP emergency relief benefits which are only applicable for eligible losses incurred in the 2021 calendar year, this ELAP livestock and feed hauling compensation will not only be retroactive for 2021 but will also be available for losses in 2022 and subsequent years.

To calculate ELAP program benefits, an <u>online tool</u> is currently available to help producers document and estimate payments to cover feed transportation cost increases caused by drought and will soon be updated to assist producers with calculations associated with drought related costs incurred for hauling livestock to forage

More Information

Additional USDA disaster assistance information can be found on farmers.gov, including USDA resources specifically for producer impacted by <u>drought</u> and <u>wildfire</u> and the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster-at-a-Glance fact sheet</u>, and <u>Farm Loan Discovery Tool</u>. For FSA and Natural Resources Conservation Service programs, producers should contact their local <u>USDA Service Center</u>. For assistance with a crop insurance claim, producers and landowners should contact their <u>crop insurance agent</u>.

Ask the Expert: A Farm Operating Loan Q&A with Jack Carlile



In this Ask the Expert, Jack Carlile, Farm Loan Manager for the USDA Farm Service Agency (FSA), answers questions about farm operating loans and when producers should apply in order to secure funds for the current crop year.

As the Farm Loan Manager for the Cherokee County Service Center, Jack is responsible for managing the loan making and loan servicing activities for five counties in northeast Oklahoma. His office provides services for over 650 farm

loan customers. Jack was raised on a cross bred cow/calf operation that his grandparents started. Over the years, each generation has added to the operation by purchasing additional pasture. The operation also grows and bales their own hay. Jack's agriculture background and degree in agriculture economics from Oklahoma State University help him better understand the financing needs of his producers.

Who can apply for FSA Farm Loans?

Anyone can apply for FSA's loan programs. Applications will be considered on basic eligibility requirements. To apply for a loan, you must meet the following general eligibility requirements including:

- Be a U.S. citizen or qualified alien.
- Operator of a family farm or ranch.
- Have a satisfactory credit history.
- Unable to obtain credit elsewhere at reasonable rates and terms to meet actual needs.
- Not be delinquent on any federal debts.

What can I purchase with operating loans?

<u>Farm Operating Loans</u> are traditionally used for purchasing capital items such as farm machinery, equipment, or livestock. Loan funds can also be used to help pay typical operating expenses for farming and ranching operations. For example, a rancher may use an operating loan to purchase forage for his cattle to feed them through the winter or a row crop producer may use an operating loan for paying for inputs like seed or fertilizer.

What is the maximum loan amount and terms?

The maximum loan amount for a Direct Farm Operating Loan is \$400,000. Direct loans are made and serviced by FSA.

Producers can also apply for <u>Guaranteed Operating Loans</u> that are made by your commercial lender, and guaranteed against loss by FSA. The maximum loan amount for a Guaranteed Farm Operating Loan is \$1,825,000. Loan terms for operating loans range from one to seven years.

How do I apply?

If you're interested in applying for a farm loan, you can pick up an application by visiting your local FSA office. Visit <u>farmers.gov</u> to find the USDA Service Center nearest you.

When applying for a loan, you will need a business plan, which must include:

- Your mission, vision, and goals for your farm or ranch.
- Your current assets and liabilities.
- Marketing Plan (what your operation will produce and where you will market and sell your products.)
- Whether the amount of income your operation generates will be enough to pay your business and family living expenses.

When should I apply for an operating loan?

I would recommend beginning the application process a few months in advance of needing the funds to allow time for the request to be processed, and for any necessary security checks and searches to be completed. That allows time for the funds to be available for your use when most needed.

Where can I find more information?

To learn more about FSA loans visit <u>farmers.gov/loans</u> or <u>fsa.usda.gov/farmloans</u>. Fact sheets and application packages are also available at your USDA Service Center. To learn more about other types of FSA loans or to find the right loan for your operation, use the Farm Loan Discovery Tool by visiting <u>farmers.gov/loans/farm-loan-discovery-tool</u>.

USDA Accepting New or Modified Proposals for the State Acres for Wildlife Enhancement

The U.S. Department of Agriculture (USDA) is welcoming new and modified proposals from conservation partners for the State Acres for Wildlife Enhancement (SAFE) initiative, a part of the Conservation Reserve Program (CRP) focused on effectively managing wildlife habitat. USDA's Farm Service Agency (FSA) has expanded available practices under this initiative in response to feedback from partners.

Through SAFE, producers and landowners restore vital habitat in alignment with high-priority state wildlife conservation goals. Specifically, landowners establish wetlands, grasses, and trees. These practices are designed to enhance important wildlife populations by creating critical habitat and food sources. They also protect soil and water health by working as a barrier to sediment and nutrient run-off before they reach waterways.

Expanded Practices

To help improve the planning and implementation of the SAFE initiative, FSA is adding two new practices with the assistance of USDA's Natural Resources Conservation Service (NRCS), FSA's sister agency. In partnership with FSA, NRCS employees across the country provide CRP participants with critical conservation planning assistance, which will now include managing for early successional habitat cover establishment or management, as well as wildlife habitat planting. These additional eligible practices will enable SAFE partners to better target a wide variety of wildlife species, such as the Northern bobwhite, lesser prairie-chicken, and the New England cottontail.

As part of this year's SAFE signup, FSA will also authorize cost-share assistance for producers who would like to re-enroll acres in CRP but need assistance updating their vegetative cover to align with NRCS practice standards for early successional habitat or wildlife planting.

Submitting Proposals

Eligible entities for SAFE include government entities, non-profits, or private organizations.

Additionally, partners with SAFE projects with both General and Continuous CRP practices must submit modified proposals to continue in the program.

New and modified proposals for SAFE projects must be submitted to the FSA State Office in Raleigh in June. Contact your State Office for the state-specific deadline. More information on developing proposals is available at fsa.usda.gov/crp.

More Information

SAFE is part of the Continuous CRP signup, and producers can begin enrolling in new or updated SAFE programs beginning October 1, 2022. Meanwhile, the Continuous and Grassland signups are currently open, and producers can learn more by contacting their local <u>USDA Service Center</u>. To learn more about SAFE and its benefits, see the initiative's fact sheet.

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits.

CRP complements other USDA conservation programs, including several programs offered by NRCS for working lands and conservation easements. Earlier this month, NRCS released its <u>Northern Bobwhite</u>, <u>Grasslands and Savannas Framework for Conservation Action</u> to help guide voluntary conservation work over the next five years across 25 states, including over 7 million acres of new conservation practices on productive, working lands, and will contribute to the Biden-Harris administration's efforts to make our nation a leader on climate change mitigation, adaptation and resilience. The plan will accelerate voluntary

conservation efforts for the Northern bobwhite quail and the grassland and savanna landscapes that the species calls home.

USDA Encourages Producers to Enroll in Grassland CRP

The U.S. Department of Agriculture (USDA) encourages producers and landowners to enroll in the Grassland Conservation Reserve Program (CRP) starting next week through May 13, 2022. Grassland CRP provides a unique opportunity for farmers, ranchers, and agricultural landowners to keep land in agricultural production and supplement their income while improving their soils and permanent grass cover. The program had its highest enrollment in history in 2021 and is part of the Biden-Harris Administration's broader effort to equip producers with the tools they need to help address climate change and invest in the long-term health of our natural resources.

Grassland CRP is a federally funded voluntary working lands program. Through the program, USDA's Farm Service Agency (FSA) provides annual rental payments to landowners to maintain and conserve grasslands while allowing producers to graze, hay, and produce seed on that land. Maintaining the existing permanent cover provides several benefits, including reducing erosion, providing wildlife habitat and migration corridors, and capturing and maintaining carbon in the soil and cover.

FSA provides participants with annual rental payments and cost-share assistance. The annual rental rate varies by county with a national minimum rental rate of \$13 per acre for this signup. Contract duration is 10 or 15 years.

Grassland CRP National Priority Zones

Because Grassland CRP supports not only grazing operations but also biodiversity and conserving environmentally sensitive land such as that prone to wind erosion, FSA created two National Priority Zones in 2021: the Greater Yellowstone Migration Corridor and Dust Bowl Zone. As part of the Biden-Harris Administration's focus on conservation in important wildlife corridors and key seasonal ranges, for this year's signup, FSA is expanding 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.

Offers within one of these National Priority Zones will receive an additional 15 ranking points and \$5 per acre if at least 50% of the offer is located in the zone.

Alongside Grassland CRP, producers and landowners can also enroll acres in Continuous CRP under the ongoing sign up, which includes projects available through the Conservation Reserve Enhancement Program (CREP) and State Acres for Wildlife Enhancement (SAFE).

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.

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

More Information on CRP

Landowners and producers interested in Grassland CRP should contact their local <u>USDA Service Center</u> to learn more or to apply for the program before the May 13 deadline. Additionally, fact sheets and other resources are available at fsa.usda.gov/crp.

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. The working lands signup announced today demonstrates how much it has evolved from the original program that was primarily intended to control soil erosion and only had the option to take enrolled land out of production. The program has expanded over the years and now supports a greater variety of conservation and wildlife benefits, along with the associated economic benefits.

USDA Updates Eligibility for Spot Market Hog Pandemic Program

The U.S. Department of Agriculture (USDA) has clarified the definition of a spot market sale and hog eligibility under the Spot Market Hog Pandemic Program (SMHPP), which assists producers who sold hogs through a spot market sale from April 16, 2020, through Sept. 1, 2020. Hog producers will also now be required to submit documentation to support information provided on their SMHPP application. USDA's Farm Service Agency (FSA) will accept applications through April 29, 2022, which is an extension of the April 15, 2022, deadline previously set for the program.

USDA is offering the SMHPP in response to a reduction in packer production due to the COVID-19 pandemic, which resulted in fewer negotiated hogs being procured and subsequent lower market prices. The program is part of USDA's broader Pandemic Assistance for Producers initiative and addresses gaps in previous assistance for hog producers.

SMHPP Program Updates

When the pandemic disrupted normal marketing channels, including access to packers, producers sold their hogs through cash sales to local processors or butchers, direct sales to individuals and third-party intermediaries, including sale barns or brokers. The use of third-party intermediaries was the only available marketing alternative for many producers and are now included in SMHPP. The only direct to packer sales that are eligible for SMHPP are those through a negotiated sale. Hogs sold through a contract that includes a premium above the spot-market price or other formula such as the wholesale cut-out price remain ineligible. Hogs must be suitable and intended for slaughter to be eligible. Immature swine (pigs) are ineligible.

FSA will now require documentation to support the accuracy of information provided on the FSA-940 Spot Market Hog Pandemic Program application, including the number of hogs reported on the application that were sold through a spot market sale and how the price was determined for the sale.

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of \$54 per head. To ensure SMHPP funding availability is disbursed equitably to all eligible producers, FSA will now issue payments after the application period ends. If calculated payments exceed the amount of available funding, payments will be factored.

Applying for Assistance

Eligible hog producers can apply for SMHPP by April 29, 2022, by completing the FSA-940, Spot Market Hog Pandemic Program application, along with required supporting documentation. Producers can visit <u>farmers.gov/smhpp</u> for examples of supporting documentation, information on applicant eligibility and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find their local FSA office, producers should <u>visit farmers.gov/service-locator</u>. Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

Selected Interest Rates for April 2022

90- Day Treasury Bill	.25%
Farm Operating Loans - Direct	2.75%
Farm Ownership Loans - Direct	3.25%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.75%
Farm Storage Facility Loans (7 Years)	2.000%
Commodity Loans 1996 - Present	2.125%

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