**Oregon FSA Newsletter - May 2022** 

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

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### **State Executive Director's Message**

As spring is upon us, we celebrate two important birthdays, FSA turns 89 and USDA is 160 years old! FSA can trace its roots back to 1933 and 89 years later our dedication to our farmers and ranchers remains at our core. Today, the agency's responsibilities are organized into five areas: Farm Programs, Farm Loans, Commodity Operations, Management and State Operations.



Last week, on May 3, Secretary Tom Vilsack planted a tree to announce the reopening of the <u>U.S. Department of Agriculture's (USDA) People's Garden Initiative</u>. People's Gardens across the country will grow fresh, healthy food and support resilient, local food systems; teach people how to garden using conservation practices; nurture habitat for pollinators and wildlife and create green space for neighbors. The garden at USDA Headquarters in Washington, D.C. will be joined by 17 flagship gardens located in urban communities nationwide, including one in Portland, Oregon.

The agency continues to provide America's farmers with a strong safety net through the administration of farm commodity programs. FSA also implements ad hoc disaster programs. This includes additional relief through the <a href="Emergency Assistance for Livestock">Emergency Assistance for Livestock</a>, <a href="Honeybees and Farm-raised Fish Program">Honeybees and Farm-raised Fish Program (ELAP)</a> to help ranchers cover above normal costs of hauling livestock to forage or other grazing acres. This policy enhancement complements previously announced ELAP compensation for hauling feed to livestock.

ELAP livestock and feed hauling assistance is retroactive for 2021 and will be available for losses in 2022 and subsequent years.

In addition, the Emergency Livestock Relief Program (ELRP) is part of FSA's implementation of the Extending Government Funding and Delivering Emergency Assistance Act. The Act, signed by President Biden, provides \$10 billion in much needed emergency assistance for agricultural producers, including \$750 million specifically targeted for livestock producers impacted by the severe drought or eligible wildfire.

FSA's long-standing tradition of conserving the nation's natural resources continues through the <u>Conservation Reserve Program (CRP)</u>. Last week, Secretary Vilsack announced USDA is accepting more than 2 million acres in offers from agricultural producers and landowners through the CRP General signup, which includes nearly 60,000 acres in Oregon. CRP is an important tool in helping mitigate climate change and conserve natural resources, and this announcement is just the first opportunity for producers to take advantage of the program.

Also, USDA is welcoming new and modified proposals from conservation partners for the <u>State Acres for Wildlife Enhancement (SAFE)</u> initiative, a part of CRP focused on effectively managing wildlife habitat. Through SAFE, producers and landowners restore vital habitat in alignment with high priority state wildlife conservation and protect soil and water health by working as a barrier to sediment and nutrient run-off before they reach waterways.

I started this piece by saying FSA's dedication to our farmers and ranchers has always been at the core of our agency. As I finish my fifth week as Oregon's State Executive Director, I remain honored and humbled to serve in The People's Department. I'm most excited about getting out and about in our beautiful state, visiting with county offices, stakeholders, organizations and getting outside and on the farm with our wonderful producers!

Gail Greenman, State Executive Director Oregon FSA

### **Interest Rates-May 2022**

Farm Operating Loans – Direct, 2.875%

Farm Operating – Microloans, 2.875%

Farm Ownership Loans - Direct, 3.375%

Farm Ownership - Microloan, 3.375%

Farm Ownership-Direct, Joint Financing, 2.500%

Farm Ownership-Down Payment, 1.500%

**Emergency Loans Actual Loss**, 3.750%

Farm Storage Facility Loans - 3 Years, 2.625%

Farm Storage Facility Loans - 5 Years, 2.625%

Farm Storage Facility Loans - 7 Years, 2.625%

Farm Storage Facility Loans - 10 Years, 2.625%

See <u>Oregon FSA's website/News Releases</u> for information on USDA's Secretarial natural disaster designations to extend much-needed emergency credit to producers recovering from natural disasters through emergency loans.

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

### **Important Dates**

- May 16, 2022: FSA County Offices will begin accepting OCCSP applications for the 2022 program year on May 16, 2022. The 2022 program year covers eligible expenses paid by certified organic operations between October 1, 2021, and September 30, 2022.
- May 30, 2022: Offices Closed for Memorial Day, Federal Holiday.
- June 20, 2022: Offices Closed for Juneteenth, Federal Holiday.
- July 4, 2022: Offices Closed for Independence Day, Federal Holiday.
- **July 15, 2022:** Acreage Reporting Deadline for Perennial Forage, spring planted crops.
- August 5, 2022: CRP-CLEAR30 Signups end.
- County Committee Election Nominations begin in June.

Click here to learn more about local deadlines and ongoing programs.

Click here to find state outreach events and trainings.

# USDA to Provide \$6 billion to Commodity and Specialty Crop Producers Impacted by 2020 and 2021 Natural Disasters

First Wave of Payments Based on Crop Insurance Data

The U. S Department of Agriculture (USDA) today announced that commodity and specialty crop producers impacted by natural disaster events in 2020 and 2021 will soon begin receiving emergency relief payments totaling approximately \$6 billion through the Farm Service Agency's (FSA)



new Emergency Relief Program (ERP) to offset crop yield and value losses.

#### Background

On September 30, 2021, President Biden signed into law the *Extending Government Funding and Delivering Emergency Assistance Act* (P.L. 117-43), which 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. FSA recently made payments to ranchers impacted by drought and wildfire through the first phase of the Emergency Livestock Relief Program (ELRP). ERP is another relief component of the Act.

For impacted producers, existing <u>Federal Crop Insurance</u> or <u>Noninsured Crop Disaster</u> <u>Assistance Program</u> (NAP) data is the basis for calculating initial payments. USDA

estimates that phase one ERP benefits will reach more than 220,000 producers who received indemnities for losses covered by federal crop insurance and more than 4,000 producers who obtained NAP coverage for 2020 and 2021 crop losses.

#### ERP Eligibility - Phase One

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.

For drought, ERP assistance is available if any area within the county in which the loss occurred was rated by the U.S. Drought Monitor as having a:

- D2 (severe drought) for eight consecutive weeks; or
- D3 (extreme drought) or higher level of drought intensity.

Lists of <u>2020</u> and <u>2021</u> drought counties eligible for ERP is available on the emergency relief website.

To streamline and simplify the delivery of ERP phase one benefits, FSA will send pre-filled application forms to producers where crop insurance and NAP data are already on file. This form includes eligibility requirements, outlines the application process and provides ERP payment calculations. Producers will receive a separate application form for each program year in which an eligible loss occurred. Receipt of a pre-filled application is not confirmation that a producer is eligible to receive an ERP phase one payment.

Additionally, producers must have the following forms on file with FSA within 60 days of the ERP phase one deadline, which will later be announced by FSA's Deputy Administrator for Farm Programs:

- 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 ERP producer and applicable affiliates.

Most producers, especially those who have previously participated in FSA programs, will likely have these required forms on file. However, those who are uncertain or want to confirm the status of their forms can contact their <u>local FSA county office</u>.

#### **ERP Payment Calculations - Phase One**

For crops covered by crop insurance, the ERP phase one payment calculation for a crop and unit will depend on the type and level of coverage obtained by the producer. Each calculation will use an ERP factor based on the producer's level of crop insurance or NAP coverage.

- **Crop Insurance** the ERP factor is 75% to 95% depending on the level of coverage ranging from catastrophic to at least 80% coverage.
- **NAP** the ERP factor is 75% to 95% depending on the level of coverage ranging from catastrophic to 65% coverage.

Full ERP payment calculation factor tables are available on the emergency relief website and in the program <u>fact sheet</u>.

Applying ERP factors ensures that payments to producers do not exceed available funding and that cumulative payments do not exceed 90% of losses for all producers as required by the Act.

Also, there will be certain payment calculation considerations for area plans under crop insurance policies.

The ERP payment percentage for historically underserved producers, including beginning, limited resource, socially disadvantaged, and veteran farmers and ranchers will be increased by 15% of the calculated payment for crops having insurance coverage or NAP.

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.

Because the amount of loss due to a qualifying disaster event in calendar years 202 and 2021 cannot be separated from the amount of loss caused by other eligible causes of loss as defined by the applicable crop insurance or NAP policy, the ERP phase one payment will be calculated based on the producer's loss due to *all eligible causes of loss*.

#### **Future Insurance Coverage Requirements**

All producers who receive ERP phase one payments, including those receiving a payment based on crop, tree, bush, or vine insurance policies, are statutorily required to purchase crop insurance, or NAP coverage where crop insurance is not available, for the next two available crop years, as determined by the Secretary. Participants must obtain crop insurance or NAP, as may be applicable:

- At a coverage level equal to or greater than 60% for insurable crops; or
- At the catastrophic level or higher for NAP crops.

Coverage requirements will be determined from the date a producer receives an ERP payment and may vary depending on the timing and availability of crop insurance or NAP for a producer's particular crops. The final crop year to purchase crop insurance or NAP coverage to meet the second year of coverage for this requirement is the 2026 crop year.

#### Emergency Relief – Phase Two (Crop and Livestock Producers)

Today's announcement is only phase one of relief for commodity and specialty crop producers. Making the initial payments using existing safety net and risk management data will both speed implementation and further encourage participation in these permanent programs, such as Federal crop insurance, as Congress intended.

The second phase of both ERP and ELRP programs will fill gaps and cover producers who did not participate in or receive payments through the existing programs that are being leveraged for phase one implementation. When phase one payment processing is complete, the remaining funds will be used to cover gaps identified under phase two.

Through proactive communication and outreach, USDA will keep producers and stakeholders informed as program details are made available. More information on ERP can be found in the <u>Notice of Funding Availability</u>.

#### **Additional Commodity Loss Assistance**

The Milk Loss Program and On-Farm Stored Commodity Loss Program are also funded through the *Extending Government Funding and Delivering Emergency Assistance Act* and will be announced in a future rule in the Federal Register.

#### **More Information**

Additional USDA disaster assistance information can be found on farmers.gov, including 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 crop insurance agent.

## Updates to U.S. Small Business Administration Economic Injury Disaster Loans

The U.S. Small Business Administration (SBA) announced a <u>suite of updates</u> to their COVID-19 Economic Injury Disaster Loan (EIDL) Program effective September 8, 2021. Updates include higher available loan amounts, an increased use of funding flexibility, a deferral of 24 months from the loan origination, simplified affiliation requirements, additional options to meet program size standards and a maximum cap for corporate groups.

This federal small business loan program supports small businesses' recovery from the COVID-19 disaster's economic impacts by providing accessible and borrower-friendly capital. In response to COVID-19, small business owners, including agricultural businesses, and nonprofit organizations in all U.S. states, Washington D.C., and territories can apply. Visit <a href="SBA's COVID-19 EIDL webpage">SBA's COVID-19 EIDL webpage</a> to learn more about recent updates, application requirements and options to apply. To learn more about Oregon disaster designations, visit <a href="SBA's Current Declared Disasters">SBA's Current Declared Disasters</a>. To contact the SBA directly, please call 1-800-659-2955, or e-mail disastercustomerservice@sba.gov.

## Back to the Basics at the Central Oregon Veterans Ranch (NRCS)

A working ranch that restores a sense of purpose to veterans of all ages

Located in the heart of central Oregon between Redmond and Bend, the Central Oregon Veterans Ranch (COVR) is a 19-acre working farm that "restores purpose and spirit to veterans of all ages and eras." COVR relies heavily upon community partners and partnership resources to offer free agriculture and peer-support programs to veterans.



Learn more about how the ranch worked with NRCS Oregon to install a seasonal high tunnel and rehabilitate their pasture at <u>Back to the basics at the Central Oregon Veterans Ranch (arcgis.com)</u>.

## **USDA Supports Military Veteran's Transition to Farming**

Are you a military veteran interested in farming? USDA offers resources to help you:

- Fund Your Operation: USDA's Farm Service Agency offers a
  variety of <u>funding opportunities</u> to help agricultural producers
  finance their businesses. Certain funds are targeted for veterans and beginning
  farmers and ranchers.
- Conserve Natural Resources: USDA's Natural Resources Conservation Service offers conservation programs and expert one-on-one technical assistance to strengthen agricultural operations now and into the future. Veterans may be eligible for a cost share of up to 90 percent and advance payments of up to 50 percent to cover certain conservation practices.
- Manage Risks: USDA is here to help you prepare for and recover from the unexpected. Veterans who are beginning farmers may be eligible for reduced premiums, application fee waivers, increased insurance coverage, and other incentives for multiple USDA programs that support risk management.

USDA wants to ensure that veterans transitioning to agriculture have the resources needed to succeed. While USDA offices are currently closed to visitors because of the pandemic, Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. To conduct business, please contact your local USDA Service Center. Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus. If you're a new farmer, you can also reach out to your state Beginning Farmer and Rancher Coordinator.

## 2022 Census of Agriculture

June 30, 2022 is the last day to sign up for the 2022 Ag Census. If you have never received a census and are new to the National Agricultural Statistics Service (NASS) surveys, sign up to be counted today. You do not need to sign up if you already receive NASS surveys.



**Key Dates**: June 30, 2022 – sign up ends; November 2022 – census mails out; February 2023 – response deadline; Spring/summer 2024 – data release. For further information please visit the <u>NASS Census webpage</u>.

## U.S. Drought Monitor Learning Sessions Available

The <u>U.S. Drought Monitor</u> provides a weekly drought assessment, and it plays an important role in USDA programs that help farmers and ranchers recover from drought. The <u>National Drought Mitigation Center</u> will host **U.S. Drought Monitor Learning Sessions** available May 18, 11am (PT); June 23, Noon (PT); July 14, 1pm (PT). If interested please register at this link.



For more information, read their <u>Ask the Expert blog with a NDMC climatologist</u> or visit <u>farmers.gov/protection-recovery</u> or visit <u>Oregon FSA/State Events</u>.

## Photos needed for the 2023 USDA in Oregon Calendar!

We need your great agriculture photos once again for the 2023 USDA in Oregon calendar! Please see the attached flyer for further information or stop by or call your local <u>USDA Service Center</u>.

USDA in Oregon calendars provide how to sign up for USDA's GovDelivery service for electronic newsletters and/or text messages, <u>Farmers.gov</u> resources, program and deadline reminders, and great photos from Oregon producers and FSA staff.





## **Oregon FSA State Office**

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Oregon FSA State Committee: Katherine Minthorn, STC Member STC Meeting: *TBD* 

How can we help you? Submit questions or requests for further information to <u>ASK.USDA.GOV</u> or 1-833-ONE-USDA

Sign up for important text message alerts from your local county FSA office! To subscribe, text FSANOW (372-669).



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