**Oregon FSA Newsletter - February 2023** 

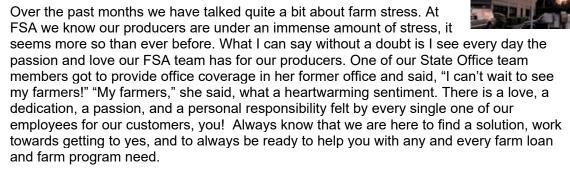
Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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

The holidays seem like a distant memory at this point. We spend a lot of time focusing on family and friends during the merriest season of the year and set goals for ourselves in the year ahead. It seems so often that life gets in the way and we forget about those important markers we have set for ourselves come February. The cycle then repeats itself as we approach the next year's holiday season.



It is also absolutely imperative that our customers know and understand FSA employee stress. Being understaffed and overworked is nothing new, but over the last year the staff shortages have increased dramatically. Many offices are covering other offices that are not fully staffed. Employees are spending many nights away from home to make sure all offices in the state are running, they are traveling extra hours to a from their destination other than their duty station to get the job done, working extremely long hours. The

overtime hours worked is reaching a record high. And they continue to show up every single day, rolling out new programs, with their public service and obligation to our customers at the top of their mind.

I want to take the opportunity to thank each and every man and woman who makes FSA run on a daily basis. Without them, we wouldn't be able to service our customers or get the investments to the very people who implement conservation measures to help combat climate change and who grow our food and fiber. The women and men who staff our field offices are the very heartbeat of what FSA does. Next time you work with one of these amazing people, please consider joining me in saying, thank you for your service.

Gail Greenman
State Executive Director

## **USDA Announces Grants for Urban Agriculture** and Innovative Production

USDA is making available up to \$7.5 million for grants through its Office of Urban Agriculture and Innovative Production (OUAIP). The competitive grants will support the development of urban agriculture and innovative production projects through two categories, Planning Projects and Implementation Projects. Apply by March 27, 2023. For further information please click here.



The USDA People's Garden: Do you have a community farm or garden that you would like to designate as a People's Garden? To learn more about People's Garden or to register one, visit the People's Garden webpage at the website, The People's Garden | USDA. You can also view the video at The USDA People's Garden Invites Community Gardens to Join Us! - YouTube. Sign-up for Urban Ag email Updates at Farmers.gov/Urban Ag

## **Interest Rates - February 2023**

Farm Operating Loans – Direct, 4.750%

Farm Operating - Microloans, 4.750%

Farm Ownership Loans - Direct, 4.750%

Farm Ownership - Microloan, 4.750%

Farm Ownership-Direct, Joint Financing, 2.750%

Farm Ownership-Down Payment, 1.500%

**Emergency Loans Actual Loss**, 3.750%

Farm Storage Facility Loans - 3 Years, 4.000%

Farm Storage Facility Loans - 5 Years, 3.750%

Farm Storage Facility Loans - 7 Years, 3.750%

Farm Storage Facility Loans - 10 Years, 3.625%

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 <u>emergency loans</u>.

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 <u>Farm Loan Discovery Tool</u>.

## **Important Dates**

- February 20 Offices Closed, President's Day Federal Holiday.
- February 23, 3:30pm-6:00pm (ET) Federal Advisory Committee for Urban Ag and Innovative Production Meeting. See Oregon FSA News Release to register.
- Livestock Indemnity Program (LIP) applications due March 31, 2023.
- Agriculture Risk Coverage (ARC) and Price Loss Program (PLC) enrollment for 2023 crop year ends March 15.
- March 27, 2023: Urban Ag and Innovative Production Grants Applications Due.
- March 31, 2023: Farmers.gov/survey due.
- **June 2, 2023:** Emergency Relief Program (ERP) Phase 2 and Pandemic Assistance Revenue Program (PARP) signups close.
- NAP (Noninsured Crop Disaster Assistance Program): Report losses within 15 days of event. Notify FSA of event within 72 hours for hand-harvested crops.

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

# **USDA Develops Simplified Direct Loan Application to Improve Customer Service**

New form will be available starting March 1, 2023

The U.S. Department of Agriculture (USDA) has developed a simplified direct loan application to provide improved customer experience for producers applying for loans from the Farm Service Agency (FSA). The simplified direct loan application enables



producers to complete a more streamlined application, reduced from 29 to 13 pages. Producers will also have the option to complete an electronic fillable form or prepare a traditional, paper application for submission to their local FSA farm loan office. The paper and electronic versions of the form will be available starting March 1, 2023.

Approximately 26,000 producers submit a direct loan application to the FSA annually, but there is a high rate of incomplete or withdrawn applications, due in part to a challenging and lengthy paper-based application process. Coupled with the Loan Assistance Tool released in October 2022, the simplified application will provide all loan applicants access to information regarding the application process and assist them with gathering the correct documents before they begin the process. This new application will help farmers and

ranchers submit complete loan applications and reduce the number of incomplete, rejected, or withdrawn applications.

In October 2022, USDA launched the Loan Assistance Tool, an online step-by-step guide that provides materials to help an applicant prepare their farm loan application in one tool. Farmers can access the Loan Assistance Tool by visiting <a href="farmers.gov/farm-loan-assistance-tool">farmers.gov/farm-loan-assistance-tool</a> and clicking the 'Get Started' button. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser. A version compatible with mobile devices is expected to be available by the summer. It does not work in Internet Explorer.

The simplified direct loan application and Loan Assistance Tool are the first of multiple farm loan process improvements that will be available to USDA customers on farmers.gov in the future. Other improvements that are anticipated to launch in 2023 include:

- An interactive online direct loan application that gives customers a paperless and electronic signature option, along with the ability to attach supporting documents such as tax returns.
- An online direct loan repayment feature that relieves borrowers from the necessity of calling, mailing, or visiting a local Service Center to pay a loan installment.

USDA provides access to credit to approximately 115,000 producers who cannot obtain sufficient commercial credit through direct and guaranteed farm loans. With the funds and direction Congress provided in Section 22006 of the Inflation Reduction Act, USDA took action in October 2022 to provide relief to qualifying distressed borrowers while working on making transformational changes to loan servicing so that borrowers are provided the flexibility and opportunities needed to address the inherent risks and unpredictability associated with agricultural operations.

Soon, all direct loan borrowers will receive a letter from USDA describing the circumstances under which additional payments will be made to distressed borrowers and how they can work with their FSA local office to discuss these options. Producers can explore all available options on all FSA loan options at <a href="mailto:fsa.usda.gov">fsa.usda.gov</a> or by contacting their local USDA Service Center.

# USDA Announces Signup for Crop and Revenue Loss Assistance for Agricultural Producers

Signup begins January 23 for additional emergency relief from the U.S. Department of Agriculture (USDA) through the <a href="Emergency Relief Program">Emergency Relief Program</a> (ERP) Phase Two.

To be eligible for Phase Two, producers must have suffered a decrease in allowable gross revenue in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event. Eligible



crops include both traditional insurable commodities and specialty crops that are produced in the United States as part of a farming operation and are intended to be commercially marketed. This also includes losses of eligible on-farm stored commodities. ERP Phase 2 applicants will use the following tax years when selecting allowable gross revenue:

- Benchmark years: 2018 and/or 2019; estimated for new producers with no 2018 or 2019 revenue or adjusted if the benchmark years are not representative of the disaster year due to a change in operation size.
- Disaster years: 2020 and/or 2021. The allowable gross revenue for the specific disaster year will be based on the tax year applicable to that revenue (2020, 2021 or 2022).

The ERP tool assists producers in calculating allowable gross revenue, as well as adjusted revenue for the benchmark years 2018 and 2019, and allowable gross revenue for representative tax years 2020-2022 which represent disaster years 2020 and 2021. Once producers complete the allowable gross revenue entries, they are able to print forms FSA-521 and FSA-521A through this tool.

## The ERP Phase 2 and PARP application period is open from January 23 through June 2 2023.

For more information on payment calculations, payment limitations or how to determine allowable gross revenue, please reference the <u>ERP Phase 2 fact sheet.</u>

# **USDA Announces Signup for Pandemic Assistance Revenue Program**

The Pandemic Assistance Revenue Program (PARP) will assist eligible producers of agricultural commodities who experienced revenue decreases in calendar year 2020 compared to 2018 or 2019 due to the COVID-19 pandemic. PARP will help address gaps in previous pandemic assistance, which was targeted at price loss or lack of market access, rather than overall revenue losses.



USDA's Farm Service Agency will accept PARP applications from January 23, 2023, through June 2, 2023.

#### Eligible and Ineligible Commodities

For PARP, eligible agricultural commodities include crops, aquaculture, livestock, livestock byproducts, or other animals or animal byproducts that are produced as part of a farming operation and are intended to be commercially marketed. This includes only commodities produced in the United States or those produced outside the United States by a producer located in the United States and marketed inside the United States.

The following commodities are not eligible for PARP:

- Wild free-roaming animals.
- Horses and other animals used or intended to be used for racing or wagering.
- Aguatic species that do not meet the definition of aguaculture.
- Cannabis sativa L. and any part of that plant that does not meet the definition of hemp.
- Timber.

#### **Program Eligibility**

PARP payments will be made on a whole-farm basis, not commodity-by-commodity. To be eligible for PARP, an agricultural producer must have been in the business of farming during at least part of the 2020 calendar year and must have experienced a 15 percent decrease in allowable gross revenue in 2020, as compared to either:

- The 2018 or 2019 **calendar year**, as elected by the producer, if they received allowable gross revenue during the 2018 or 2019 **calendar years**, or
- The producer's expected 2020 calendar year allowable gross revenue, if the producer had no allowable gross revenue in 2018 or 2019.

PARP payments will be issued after the application period ends on June 2, 2023.

For more information on determining allowable gross revenue visit farmers.gov/coronavirus/pandemic-assistance/parp or review the PARP fact sheet.

#### **More Information**

To apply for PARP, contact your local USDA Service Center.

## Save Money on Fuel with No-Till Farming

How much fuel can farmers save each year by transitioning from conventional tillage to continuous no-till? According to a <u>new report from USDA's Conservation Effects Assessment Project (CEAP)</u>, 3.6 gallons per acre is a reasonable estimate. With current off-road diesel fuel prices, this could translate into approximately \$17 per acre saved annually.



Nearly 87 percent of all cropland acres nationwide are farmed using some form of conservation tillage, where tillage is reduced for at least one crop within a given field. Continuous no-till accounts for 33 percent of this total.

Improving soil health is one known benefit of limiting disturbance. Farmers who minimize tillage across their operation may reduce soil erosion, maximize water infiltration, improve nutrient cycling, build organic matter, and strengthen resilience to disaster events or challenging growing conditions. Based on the latest data, they may also use significantly less fuel than with conventional tillage and reduce their associated carbon dioxide emissions.

According to CEAP, farmers who implement conservation tillage practices instead of continuous conventional tillage:

- Reduce potential nationwide fuel use by 763 million gallons of diesel equivalents each year, roughly the amount of energy used by 2.8 million households.
- Reduce potential associated emissions by 8.5 million tons of carbon dioxide (CO<sub>2</sub>) equivalents each year, equivalent to removing nearly 1.7 million gasoline-powered passenger vehicles from the road.

How is this possible? Annually, farmers who practice continuous no-till use approximately 3.6 fewer gallons of fuel per acre than if they practiced continuous conventional tillage. Farmers who practice seasonal no-till – farming without tilling for at least one crop – use

approximately 3 fewer gallons of fuel per acre than they would with conventional tillage year-round.

Acre by acre, fuel saved is money saved. Let's assume an average off-road diesel fuel price of \$4.75 per gallon\*. By transitioning from continuous conventional tillage to continuous no-till, a farmer can save just over \$17 per acre each year in fuel costs. A farmer who transitions from continuous conventional tillage to seasonal no-till can save more than \$14 per acre on fuel annually. These potential savings are significantly larger than with <a href="CEAP's first fuel savings report">CEAP's first fuel savings report</a>, primarily due to the current price of diesel fuel.

The bottom line for farmers: Reducing tillage leads to fuel savings that deliver significant financial benefits while building healthier soils for a more resilient operation.

#### **USDA Can Help**

If you're a farmer interested in reducing tillage or pursuing other conservation efforts across your operation, USDA's Natural Resources Conservation Service (NRCS) can help.

- This blog offers five simple tips for farmers interested in trying no-till for the first time.
- <u>This 90-second video</u> provides a description of no-till and associated benefits according to a Delaware farmer.
- <u>This 23-minute video</u> follows five South Carolina farmers seeking to quantify the benefits of conservation practices that support soil health.
- <u>This webpage</u> details principles to improve soil health, including reduced tillage and complimentary conservation practices such as cover crops, crop rotations, and rotational grazing.

NRCS has local USDA Service Centers in nearly every county across the United States. You may find contact information for your nearest Service Center here. NRCS staff are available to provide free, one-on-one assistance with a suite of practices to strengthen your operation, conserve natural resources, and boost your bottom line. SMART nutrient management, for example, is important to consider with no-till and may help you save money on fertilizer while improving water quality – another win-win.

Visit the <u>new NRCS website</u> to learn more about conservation basics, getting assistance from NRCS, programs and initiatives, and resources to inform management decisions. Visit the <u>new CEAP webpage</u> for additional information about USDA's efforts to quantify the effects of conservation practices across croplands and other working lands.

## **USDA 2022 Census of Agriculture**

USDA -NASS is continuing to collect information for the <u>2022 Census of Agriculture</u>. There is still time to respond! Producers may receive a second mailing or reminder calls since the first due date has passed.



- You can respond online or by mail.
- All data reported are Confidential by Federal Law.

- County level results are used to support Agriculture and Rural America programs such as Broadband Access.
- Many USDA disaster/aid program decisions rely on having accurate totals from the data you report.
- Oregon State University Research and Extension use the data to design projects to benefit you.
- Respond Now and help ensure that Agriculture Counts in Oregon!

## **USDA** in Oregon 2023 Calendars



The 2023 USDA in Oregon are here! Stop by your local USDA Service Center to pick up your copy! If you would like to submit a photo for possible use in our 2024 USDA in Oregon calendar, please submit by e-mail to susan.riffel@usda.gov.





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**Oregon FSA State Committee:** 

Katherine Minthorn, STC Chair Vern Frederickson, STC Member Bryan Harper, STC Member Denver Pugh, STC Member Anna Sullivan, STC Member Next STC Meeting: March 16

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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