

## U.S. DEPARTMENT OF AGRICULTURE

**Oregon FSA Newsletter - December 2023** 

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

# Happy New Year from Oregon FSA!

We hope that you and your loved ones have a wonderful New Year! We look forward to serving you in 2024!



# USDA Makes Producer-Friendly Change to 2023 Notice of Loss Requirements for Two Livestock Disaster Assistance Programs



The U.S. Department of Agriculture (USDA) has waived certain notice of loss requirements for 2023 for the <u>Emergency Assistance for Livestock</u>, <u>Honeybees</u>, and Farm-raised Fish (ELAP) and <u>Livestock Indemnity Program (</u>LIP). In an effort to streamline assistance to support access to critical 2023 natural disaster recovery assistance, USDA's Farm Service Agency (FSA) is waiving the requirement to submit ELAP or LIP notices of loss within a pre-determined number of days for 2023. Instead, producers have the

flexibility to submit 2023 notices of loss as soon as possible, once losses are realized, following a natural disaster event or no later than the established annual program application for payment deadlines for each program. FSA county committees are also being asked to reevaluate 2023 ELAP and LIP late-filed notices of loss to determine if the waiver applies.

#### Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish

ELAP provides recovery assistance to eligible producers of livestock, honeybee, and farmraised fish losses due to an eligible adverse weather or loss condition, including blizzards, disease, water shortages and wildfires. ELAP covers grazing and feed losses, transportation of water and feed to livestock and hauling livestock to grazing acres. ELAP also covers certain mortality losses for livestock including honeybees and farm-raised fish as well as honeybee hive losses. ELAP is designed to address losses not covered by other FSA disaster assistance programs.

For 2023, FSA is waiving the regulatory requirement for producers who are eligible for ELAP to file a notice of loss with FSA within 30 calendar days from when the loss first became apparent for livestock and farm-raised fish and 15 calendar days for honeybees. Under this waiver, notices of loss are to be completed by the eligible producer and submitted to FSA no later than the annual program application deadline of January 30 following the program year in which the loss occurred. Therefore, producers who incurred ELAP-eligible losses in 2023, will need to submit a notice of loss by Jan. 30, 2024.

#### Livestock Indemnity Program

LIP provides disaster recovery assistance to livestock owners and contract growers who experience livestock deaths, in excess of normal mortality caused by eligible loss conditions including adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law, including wolves and avian predators. LIP also helps livestock owners who must sell livestock at a reduced price because of an injury from certain loss conditions.

For 2023, FSA is waiving the regulatory requirement for producers who are eligible for LIP to file a notice of loss within 30 calendar days from when the loss first became apparent. Under this waiver, producers are still required to complete and submit the notice of loss to FSA no later than the annual program payment application date, which is 60 calendar days following the program year in which the loss occurred. The LIP payment application and notice of loss deadline is Feb. 29, 2024, for the 2023 program year.

#### **2023 Disapproved Applications**

FSA county committees will review all notices of loss for both ELAP and LIP that were previously disapproved for the 2023 program year due to late filing and re-evaluate them to determine if the waiver applies. To receive ELAP and LIP benefits, producers will still need to file an application for payment by the established program deadline for the 2023 program year. Producers who are unsure about the status of their notice of loss or application for payment, should contact their local FSA county office as soon as possible.

#### **Supporting Documentation**

Accurate records and loss documentation are critical following disaster events and are required when filing notices of loss with FSA. Acceptable loss documentation includes:

- Documentation of the number, kind, type, and weight range of livestock that have died, supplemented, if possible, by photographs or video records of ownership and losses.
- Rendering truck receipts by kind, type, and weight important to document prior to disposal.
- Beginning inventory supported by birth recordings or purchase receipts.
- Documentation from Animal Plant Health Inspection Service, Department of Natural Resources, or other sources to substantiate eligible death losses due to an eligible loss condition.
- Documentation that livestock were removed from grazing pastures due to an eligible adverse weather or loss condition.

- Costs of transporting livestock feed to eligible livestock, such as receipts for equipment rental fees for hay lifts and snow removal.
- Feed purchase receipts if feed supplies or grazing pastures are destroyed.
- Number of gallons of water transported to livestock due to water shortages.

#### **More Information**

The improvements to ELAP and LIP build on others made since 2021. This includes ELAP benefits for above normal costs for hauling feed and water to livestock and transporting livestock to other grazing acres during a qualifying drought. FSA also <u>expanded eligible</u> <u>livestock</u> under ELAP, LIP, and the Livestock Forage Disaster Assistance Program, and increased the LIP payment rate for beef, beefalo, bison, and dairy animals less than 250 pounds and most recently beef calves over 800 pounds. Learn about USDA disaster assistance programs on <u>farmers.gov</u>.

On <u>farmers.gov</u>, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster-at-a-Glance fact</u> <u>sheet</u> and <u>Loan Assistance Tool</u> can help producers and landowners determine <u>disaster</u> <u>protection and recovery</u> program or loan options. For more information about FSA programs, contact your local <u>USDA Service Center</u>.

# The 2023 County Committee Elected Nominees take office January 1, 2024!



For more information please see the <u>County Committee website</u> or contact your local <u>USDA</u> <u>Service Center.</u>

# **Tax Resources for USDA Program Participants**

Navigating filing taxes can be challenging, especially if you are new to running a farm business, participating in disaster programs for first time, or trying to forecast the farm's tax bill. Receiving funds from USDA through activities such as a conservation program payment or a disaster program is considered farm



income that includes a tax liability for farm businesses. USDA technical assistance is free and creates no tax implications.

At the end of the tax year, USDA issues tax forms 1098 and 1099 forms for farm loans, conservation programs administered by the Farm Service Agency and Natural Resource

Conservation Service including the Conservation Reserve Program and Environmental Quality Incentives Program, crop disaster payments, and the Market Facilitation Program. USDA also issues tax forms for recipients of assistance for distressed borrowers, including through Section 22006 of the Inflation Reduction Act.

If you have received tax forms related to your operation, USDA cannot and does not provide tax advice but wants you to be aware of options that may help manage your tax liability. USDA has partnered with experts to provide resources to help you make the right tax decisions for your operation. Monthly webinars are available for registration and to view on demand at <a href="https://www.farmers.gov/working-with-us/taxes">https://www.farmers.gov/working-with-us/taxes</a>.

The <u>Tax Estimator Tool</u> is an interactive spreadsheet that producers can download to estimate tax liability. It is for informational and educational purposes and should not considered tax or legal advice. Producers may need to work with a tax professional to determine the correct information to be entered in the Tax Estimator Tool.

We encourage you to visit <u>https://www.farmers.gov/working-with-us/taxes</u> for more information on how to find and work with a tax preparer as well as instructions on how to request copies of USDA documents and links to other helpful tax resources.

# **Improving Risk Protection on Tribal Lands**



More than <u>46 million acres of tribal</u> <u>land in the United States</u> are used for production agriculture, an inherently high-risk business. The U.S. Department of Agriculture (USDA) is here to help the producers who operate these tribal lands to prepare, recover, and build long-term resilience to natural disasters and climate

change, through a suite of <u>disaster assistance programs</u>, <u>crop insurance and other risk</u> <u>management options</u>, and conservation programs and practices.

A new <u>Tribal Partnerships</u> page on USDA's <u>farmers.gov</u> website is designed to connect Tribal Nation leaders, land managers, agricultural producers and citizens with USDA programs and services. Developed as part of USDA's commitment to its federal trust responsibility to Tribal Nations, the web page showcases opportunities for land access, indigenous representation, conservation partnerships, and support for tribal food sovereignty.

USDA's Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), and Risk Management Agency (RMA) offer programs, technical assistance, and insurance products for managing risk, adopting climate-smart practices, and ensuring a safety net from weather.

## **Crop Insurance**

Through the Federal Crop Insurance Corporation, USDA provides crop insurance to farmers and ranchers to help them manage risks on their farms and ranches. There are many types of insurance products available for a wide variety of production practices, including organic and sustainable agriculture. Crop insurance can be obtained through an <u>Approved Insurance</u> <u>Provider</u> (crop insurance agent), while other programs, including FSA's <u>Noninsured Crop</u> <u>Disaster Assistance Program (NAP)</u> coverage can be accessed by contacting your local <u>USDA Service Center</u>.

## **Disaster Assistance Discovery Tool**

Producers who recently suffered loss or damage due to a natural disaster including crop and livestock losses, farmland damage as well as damages to farm or ranch infrastructure such as hay storage facilities, fence, and equipment can use the USDA Disaster Discovery Tool to receive personalized results outlining which programs best meet their needs. Find <u>disaster</u> <u>assistance</u> program details and learn more about USDA assistance at the <u>USDA Disaster</u> <u>Resource Center</u>.

### **Risk Protection for Beginning, Veteran, Limited Resource and Minority Producers**

In 2023, FSA made <u>improvements to NAP</u> to enhance risk protection coverage for beginning, veteran, limited resource, and minority producers. Learn more about <u>NAP coverage</u> and other disaster recovery programs at <u>farmers.gov/protection-recovery</u>.

### **Crop Acreage Reporting**

To be eligible for many USDA programs, including risk management programs, agricultural producers must file timely <u>acreage reports</u> that document the crops grown on their farm or ranch and their intended uses. Deadlines for filing crop acreage reports vary by crop and by state and county.

FSA staff at <u>local USDA Service Centers</u> will provide producers with maps and acreage reporting deadlines, by crop, for their county. <u>A crop insurance agent</u> can assist with reporting information necessary for crop insurance benefits. <u>Learn more about crop acreage reporting here.</u>

## **Climate-Smart Conservation Practices**

USDA is making more than <u>\$3 billion in funding available for agricultural producers and forest</u> <u>landowners nationwide to participate in voluntary conservation programs and adopt climate-</u> <u>smart practices in fiscal year 2024</u> as part of President Biden's Investing in America agenda. These funds are provided by President Biden's <u>Inflation Reduction Act – the largest climate</u> <u>and conservation investment in history</u>. This law invests an additional \$19.5 billion for USDA's popular conservation programs.

#### **Farmers.gov Portal**

Producers can also manage their USDA business on <u>farmers.gov</u>. Signing up for an account provides one place to do business online with FSA and NRCS, including the ability to e-sign documents, request assistance and apply for programs. Features on this site will help expedite acreage reporting, including the ability to view, print and label maps. A farmers.gov account also offers self-service for FSA and NRCS customers to manage FSA farm loans and NRCS conservation contracts.

Customers who are new to USDA should visit <u>Get Started at Your USDA Service Center</u>, then go to <u>farmers.gov/account</u> to create a farmers.gov account.

For more information about USDA support and partnerships with Tribal Nations, visit <u>farmers.gov/tribal</u>. To learn more about FSA and NRCS programs, producers can contact their local <u>USDA Service Center</u>. Visit <u>RMA online to find risk management education and training opportunities</u>. Watch this USDA Office of Tribal Relations video to hear how <u>USDA Helps Acoma Pueblo Ranchers</u>.

# Final Reminder: USDA Extends Application Deadline for Discrimination Financial Assistance Program to Jan. 13

The application period is now open for a new financial assistance program under Section 22007 of the Inflation Reduction Act (IRA), for farmers, ranchers, and forest landowners who experienced discrimination in USDA farm



lending programs prior to January 2021. The application process will close on January 13, 2024. Borrowers will have the option to apply for assistance online via <u>22007apply.gov</u> or through a paper-based form.

Details about the program, including an application and e-filing portal, are available at <u>22007apply.gov</u>. The website includes an English and Spanish language application that applicants can download or submit via an e-filing portal, information on how to obtain technical assistance in-person or virtually, and additional resources and details about the program. Applicants can also call the free call center at 1-800-721-0970, or visit one of several dozen brick-and-mortar offices the program has set up around the country. Locations are provided on the program website and vendors will update the local events schedule with more information as it becomes available. It is important to note that filing an application is FREE and does not require a lawyer.

If you want to get weekly updates on the program's events and progress, you can go to <u>https://22007apply.gov</u>, and subscribe to a weekly newsletter.

# USDA Develops Simplified Direct Loan Application to Improve Customer Service



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 are now available.

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 <u>farmers.gov/farm-loan-assistance-tool</u> 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.

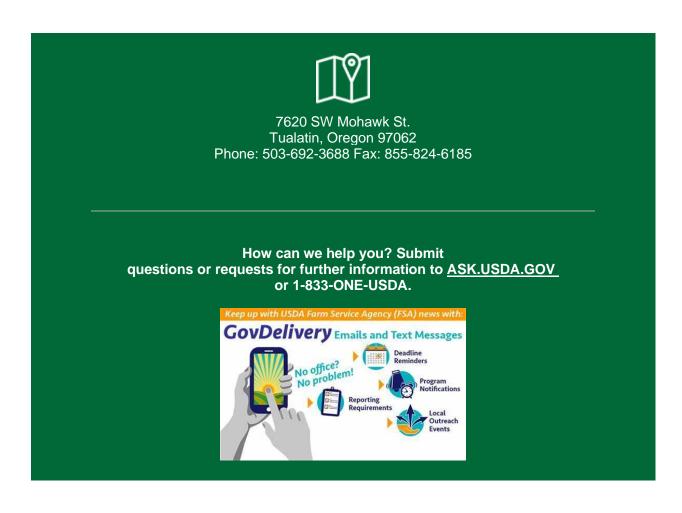
USDA provides access to credit to approximately 115,000 producers who cannot obtain sufficient commercial credit through direct and guaranteed farm loans. With the funds and direction Congress provided in Section 22006 of the Inflation Reduction Act, USDA took action in October 2022 to provide relief 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 <u>fsa.usda.gov</u> or by contacting their <u>local USDA Service</u> <u>Center</u>.

# Farm Loan Interest Rates - December 2023

| Program                    | Interest Rates |
|----------------------------|----------------|
| Farm Operating - Direct    | 5.750%         |
| Farm Operating - Microloan | 5.750%         |

| Effective as of December 1, 2023         |        |  |
|--|--------|--|
| Emergency Loan - Amount of Actual Loss   | 3.750% |  |
| Farm Ownership - Down Payment            | 1.875% |  |
| Farm Ownership - Direct, Joint Financing | 3.875% |  |
| Farm Ownership - Microloan               | 5.875% |  |
| Farm Ownership - Direct                  | 5.875% |  |



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