

#### U.S. DEPARTMENT OF AGRICULTURE

Rhode Island Service Center Newsletter -October 2023

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

#### In This Issue:

- Message from RI State Executive Director J. Eric Scherer
- FSA Encourages Farmers to Vote in County Committee Elections
- Cost Share for Organic Certification
- <u>USDA Reminds Producers of Fall Application Deadlines for Noninsured</u>
   <u>Crop Disaster Assistance Program (NAP)</u>
- USDA Announces October 2023 Lending Rates for Agricultural Producers
- Oyster Farmers Have More Coverage Options with USDA's New Shellfish Insurance Program
- Crop Insurance for Specialty and Organic Crops Grow as Options Improve and Expand

### Message from RI State Executive Director J. Eric Scherer

"Land is not merely soil, it is a fountain of energy flowing through a circuit of soils, plants and animals."

Aldo Leopold

I am not normally a 'data' kind of person, but once and a while, data will strike me as so important, that I cannot ignore it.

Anyone remotely connected to the Rhode Island farming community knows that land values for farmland are high (the highest in the nation) and that we are seeing our farm numbers dwindle. I read the 'data' below in the box from a recent report out by the Rhode Island Food Policy Council. It's another wake up call for action. We are losing farmland at an alarming rate!



One of the other unknown 'data' sets we in FSA see, is that there are many individuals who come to us for help in purchasing farms. There are more people who want to farm than there

are farms available. We know there is work going on to help address this and I wanted to bring one of those to your attention.

One partner here in Rhode Island that is helping farmers (and fishermen/women) is the Land and Sea Together organization. They have programs that are aimed at helping farmers (and fishermen/women) stay in business. One of those is support for succession planning. They have four (4) slots open for farmers interested in this opportunity, until the end of October. Apply now.

And even if you are not interested, yet, in succession planning, they have many programs that might be of help, so connect with them. Copy the link in the second box (sorry, too complicated to make it an active link) and paste it on your search engine box (or for those of us with grandchildren, have them do it for you).

Save our Farms!

Best.

Eric

Back in 1920, Rhode Island had an estimated 331,600 acres in farmland, according to the USDA Census of Agriculture. Today, that amount has been reduced to about 57,000 acres of farmland. Washington County accounts for about 35% (19,866 acres) of land in agriculture, while Providence County makes up about 29% (16,328 acres). Newport, Kent, and Bristol counties contain much smaller amounts of land in agriculture. Woodland is the largest category of agricultural land in Rhode Island (42.5% of total in 2017). Woodland includes natural or planted woodlots or timber tracts, cutover and deforested land with young growth which has or will have value for wood products, and woodland pastured. It also includes land with tapped maple trees. Cropland in Rhode Island is mostly hay and other forage, followed by vegetables, com for animal feed, and fruit orchards. Once we lose a farm, it is very difficult to get it back. The American Farmland Trust (AFT) has analyzed different land development scenarios for every state in the country, and found that under a "Business as Usual" scenario, Rhode Island would lose about 8,100 acres of farmland between now and 2040, a 14.2% decrease in available farmland. Part of the challenge faced by our farmers is that Rhode Island has the highest farm real estate values per acre of any state in the country at \$15.484. The national average for 2021 was \$3,380 per acre. This is due to our small **land** area and development pressure."

Source; The Rhode Island Food Policy Council



## **FSA Encourages Farmers to Vote in County Committee Elections**



The 2023 Farm Service Agency County Committee Elections will begin on Nov. 6, 2023, when ballots are mailed to eligible voters. The deadline to return ballots to local FSA offices, or to be postmarked, is Dec. 4, 2023.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive, indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers must:

- Be of legal voting age or, if not of legal voting age, supervise and conduct the farming operation of an entire farm.
- Have an interest in a farm as either:
  - o An individual who meets one or more of the following:
    - Is eligible and capable to vote in one's own right.
    - Is a partner of a general partnership.
    - Is a member of a joint venture.
  - Participates or cooperates in any FSA program that is provided by law. A
    cooperating producer is someone who has provided information to FSA about
    their farming operation(s) but may not have applied or received program
    benefits.

Eligible voters in Local Administrative Area 3, Washington County, who do not receive a ballot can obtain one at the Rhode Island FSA County Office. Customers can identify which LAA they or their farming operation is in by using our new GIS locator tool available at fsa.usda.gov/elections.

Newly elected committee members will take office Jan. 1, 2024.

The candidates in this year's election are:

**Dawn M Spears** of Ashaway, RI is nominated in LAA-3 Washington County, to serve as a committee member for a 3-year term. Dawn has been farming for almost 10 years. Dawn is now the owner and operator with her husband Cassius Sr. at Ashawaug Farm. For more than twenty-five years, Dawn has worked to support Indigenous arts as an artist, educator, demonstrator, and organizer. Dawn is an active member of her Narragansett tribal community, Dawn served as the Narragansett Indian Tribe's Tribal Secretary for two terms and currently serves in the Narragansett Indian Tribal Election Committee and Economic Development Commission. Her civic role broadened to her local town this past year when she began service on the Hopkinton Conservation Commission.

**W. Michael Sullivan** of Narragansett, RI is nominated in LAA-3, Washington County to serve as a county committee member for a 3-year term. For over 35 years, Michael was a professor at the University of Rhode Island in the Department of Plant Sciences. Michael owned and operated a crop and beef farm in West Kingston for 34 years. He is a former Rhode Island

State Executive Director for the Farm Service Agency, State Senator, and a former director of the Rhode Island Department of Environmental Management. Michael has served his local community as a town council member for Richmond, Rhode Island, serving as council president for six years. He served on many local and state boards focused on conservation and natural resources, including the Rhode Island State Conservation Committee. He is a member of numerous professional organizations, including the American Society of Agronomy and the Soil Science Society of America.

**William Coulter** of Charlestown, RI is nominated in LAA-3 Washington County to serve as a committee member for a 3-year term. Bill has been a lifelong resident of Charlestown. He and his family own Stony Hill Cattle Co., LLC. The farm produces beef, pork, poultry and farm fresh eggs. He is active in the agricultural community as a FFA and 4-H Volunteer and founding member and past President of the Rhode Island Raised Livestock Association. He is a Trustee of the Eastern States Exposition and has held that position for the past twenty years. Agriculture has been his lifelong passion, and he looks forward to serving the farmers in Washington County.

More information on county committees can be found at <u>fsa.usda.gov/elections</u> or by contacting the Rhode Island FSA County FSA office at 401-828-3120 Option 1.

^ back to top

### **Cost Share for Organic Certification**

As part of USDA's broader effort to support organic producers and in response to stakeholder feedback, this year the Farm Service Agency increased the cost share amount under the <u>Organic Certification Cost Share Program</u> (OCCSP), which helps organic producers cover organic certification costs, to the maximum amount allowed by statute. Specifically, FSA will cover up to 75% of costs associated with organic certification, up to \$750 for crops, wild crops, livestock, processing/handling and state organic program fees (California only). OCCSP will cover costs incurred from Oct. 1, 2022, through Sept. 30, 2023.

FSA begins accepting applications for OCCSP Monday, May 15. Applications are due Oct. 31, 2023. To apply, producers and handlers should contact the RI FSA County Office at 401-828-3120 option 1. As part of completing the OCCSP application, producers and handlers will need to provide documentation of their organic certification and eligible expenses. Organic producers and handlers may also apply for OCCSP through participating state departments of agriculture.

FSA is also accepting applications from state departments of agriculture to administer OCCSP. FSA will post a synopsis of the funding opportunity on grants.gov and will send more information to all eligible state departments of agriculture. Additional details can be found on the OCCSP webpage. More information about these initiatives and more can be found at farmers.gov/organic-transition-initiative.

^ back to top

### USDA Reminds Producers of Fall Application Deadlines for Noninsured Crop Disaster Assistance Program (NAP)

USDA Rhode Island Farm Service Agency (FSA) reminds producers of approaching application deadlines for purchasing risk coverage for some crops through the Noninsured Crop Disaster Assistance Program (NAP). NAP provides financial assistance to producers of non-insurable crops impacted by natural disasters that result in lower yields, crop losses, or prevented crop planting.

NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including forage and grazing crops, fruits, vegetables, floriculture, ornamental nursery, aquaculture, turf grass and more.

The application deadline of **November 20, 2023**, for NAP crop coverage in all Rhode Island Counties for the 2024 production season include:

- Grapes (not available in all counties)
- Peaches (not available in all counties)
- Grass
- Mixed Forage
- Alfalfa
- Perennial Forage

NAP basic coverage is available at 55% of the average market price for crop losses that exceed 50% of expected production. Buy-up coverage is available in some cases. NAP offers higher levels of coverage, ranging from 50% to 65% of expected production in 5% increments, at 100% of the average market price. Producers of organic crops and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100% of the average market price at coverage levels ranging between 50% and 65% of expected production. Buy-up coverage is not available for crops intended for grazing.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Premiums apply for buy-up coverage.

If a producer has a Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification (form CCC-860) on file with FSA, it may serve as an application for basic coverage for all eligible crops beginning with crop year 2022. These producers will have all NAP-related service fees for basic coverage waived. These producers may also receive a 50% premium reduction if higher levels of coverage are elected on form CCC-471, prior to the application closing date for each crop.

^ back to top

# **USDA Announces October 2023 Lending Rates for Agricultural Producers**

USDA announced loan interest rates for October 2023, which are effective Oct. 2, 2023. USDA's Farm Service Agency (FSA) loans provide important access to capital to help agricultural producers start or expand their farming operation, purchase equipment and storage structures or meet cash flow needs.

#### **Operating, Ownership and Emergency Loans**

FSA offers farm ownership and operating loans with favorable interest rates and terms to help eligible agricultural producers,



whether multi-generational, long-time, or new to the industry, obtain financing needed to start, expand or maintain a family agricultural operation. FSA also offers emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters or quarantine. For many loan options, FSA sets aside funding for underserved producers, including, beginning, women, American Indian or Alaskan Native, Asian, Black or African American, Native Hawaiian or Pacific Islander, and Hispanic farmers and ranchers.

Interest rates for Operating and Ownership loans for October 2023 are as follows:

- Farm Operating Loans (Direct): 5.250%
- Farm Ownership Loans (Direct): 5.250%
- Farm Ownership Loans (Direct, Joint Financing): 3.250%
- Farm Ownership Loans (Down Payment): 1.500%
- Emergency Loan (Amount of Actual Loss): 3.750%

FSA also offers guaranteed loans through commercial lenders at rates set by those lenders.

To access an interactive online, step-by-step guide through the farm loan process, visit the <u>Loan Assistance Tool</u> on farmers.gov.

#### **Commodity and Storage Facility Loans**

Additionally, FSA provides low-interest financing to producers to build or upgrade on-farm storage facilities and purchase handling equipment and loans that provide interim financing to help producers meet cash flow needs without having to sell their commodities when market prices are low. Funds for these loans are provided through the Commodity Credit Corporation (CCC) and are administered by FSA.

Commodity Loans(less than one year disbursed): 6.375%

#### Farm Storage Facility Loans:

Three-year loan terms: 4.625%
Five-year loan terms: 4.375%
Seven-year loan terms: 4.375%
Ten-year loan terms: 4.125%

• Sugar Storage Facility Loans(15 years): 4.250%

Twelve-year loan terms: 4.125%

#### **Simplified Direct Loan Application**

FSA developed a new, simplified direct loan application for producers seeking a direct farm loan. The new application, reduced from 29 to 13 pages, provides improved customer experience for producers applying for loans and enables them to complete a more streamlined application. Producers now also have the option to complete an electronic fillable form or a traditional paper application for submission to the Rhode Island FSA Farm Loan Team.

^ back to top

# Oyster Farmers Have More Coverage Options with USDA's New Shellfish Insurance Program

USDA is introducing the new Shellfish Pilot Crop Insurance Program, which offers oyster producers needed protection from environmental challenges they face, and it also allows them to insure for a higher price based on personal sales records. As an oyster producer, you are now eligible for protection against losses due to named storms, excessive heat during a low tide event, freeze during a low tide event, or low salinity due to excessive rainfall.

**LEARN MORE** 

^ back to top

# **Crop Insurance for Specialty and Organic Crops Grow as Options Improve and Expand**

The Risk Management Agency (RMA) is beefing up crop insurance options for specialty crop and organic producers, including rolling out new and expanded options based on feedback from America's agricultural producers. RMA achieved this by accelerating outreach efforts and hearing directly from producers across the country by hosting in-person and virtual roadshows and making investments in risk management education. These improvements are part of a

comprehensive effort to improve risk management tools and other programs for a wide variety of producers as well as expand access to organic markets.

#### **LEARN MORE**

^ back to top



60 Quaker Lane Warwick, RI 02886

RI FSA County Office: 401-828-3120 Option 1

RI FSA Farm Loan Team: 401-828-3120 Option 2

RI FSA State Office: 401-828-3120 Option 3

RI NRCS Field Offices: 401-828-1300

RI NRCS State Office: 401-822-8813

Risk Management Agency: 919-875-4880

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).