

South Carolina FSA Newsletter for Farmers and Ranchers - February 2024

In This Issue:

- A Note from State Executive Director Laurie Funderburk
- USDA Now Accepting Farm Loan Payments Online
- <u>USDA Invests Approximately \$11.5 Million in Composting and Food Waste</u> Reduction Projects in 23 States, including South Carolina
- Agriculture Risk Coverage and Price Loss Coverage Programs Receive 2018 Farm Bill One Year Extension, Farmers Can Now Enroll for the 2024 Crop Year
- USDA to Issue \$306 Million in Final Payments to Producers Impacted by 2020 and 2021 Natural Disasters
- South Carolina Producers Encouraged to Apply for USDA's Continuous Conservation Reserve Program
- Submit Loan Requests for Financing Early
- NAP: Risk Management for Non-Insurable Crops
- Farmers.gov Portal
- Filing CCC-941 Adjusted Gross Income Certifications

A Note from State Executive Director Laurie Funderburk



Greetings, South Carolina Producers!

Now that it's February many of you may be preparing for the upcoming spring planting season. Please be aware that adverse weather, such as frost and freezing temperatures can be a serious threat and cause damage to vulnerable crops. FSA is here to help if your farming operation encounters a natural disaster. Please visit your local FSA office to learn more about the Noninsured Crop Disaster Assistance Program (NAP), which is a risk management tool for producers of non-insurable crops to protect against natural disasters that result in lower yields or crop losses, or prevented crop planting.

This month USDA's National Agricultural Statistics Service (NASS) released data from the 2022 Ag Census. It is available

online at nass.usda.gov/AgCensus. The Census of Agriculture provides valuable insights into

demographics, economics, land use and activities on U.S. farms and ranches such as farms and farmland, value of agricultural products, use of renewable energy producing systems and more. In addition to the full report, NASS published two new data Highlights on Farm Economics and Farm Producers. Data are available in NASS's searchable database Quick Stats.

South Carolina Commissioner's School for Agriculture (SCCSA) is now accepting applications for their summer program on July 20-26, 2024. SCCSA provides a challenging and enriching experience to highly motivated rising 11th and 12th grade high school students who are seeking academic career exploration within agricultural and natural resources. **Applications** are due by April 1, 2024.

The Certified SC Showcase will be back for its third year at the Columbia Convention Center on Thursday, March 21, 2024. The Showcase provides an opportunity for buyers and producers to meet face-to-face, with an emphasis on the state's abundant produce, specialty food products, and marketing programs. Please visit agriculture.sc.gov/showcase for the full agenda, hotel information, and registration!

The Farm Service Agency currently has paid summer internship positions available on <u>USAJobs</u>. This is a great opportunity for current college students seeking experience in agriculture-related fields during the summer of 2024. These positions are available in various counties across the state and include Student Trainee positions for <u>Administration</u>, <u>Loan</u> Specialist and Program Technician. The deadline to apply is February 23, 2024.

Have you recently been approved for an agricultural grant or cost-share program, but would like resources to begin the project? A farm loan from FSA may be able to help! Many grant and cost-share programs require you to complete the project before they will release the approved funds to you. FSA offers loans to assist in these situations providing you with the means to begin approved projects. The grant or cost-share funds will then be applied to the loan once those funds are released.

Working with the FSA farm loan program is more convenient than ever with the <u>Loan Assistance Tool</u>, <u>Online Loan Application</u> and <u>Pay My Loan</u> online options. For more information, please contact your local Farm Service Agency office.

Thank you for all you do for South Carolina agriculture!

Laurie Slade Funderburk State Executive Director

USDA Now Accepting Farm Loan Payments Online



The U.S. Department of Agriculture (USDA) announced today that most farm loan borrowers will soon be able to make payments to their direct loans online through the Pay My Loan feature on farmers.gov in early February. Pay My Loan is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, especially for producers who may have limited time during the planting or harvest seasons to visit a local FSA office; modernize and improve customer service; provide

additional customer self-service tools; and expand credit access to assist more producers.

On average, local USDA Service Centers process more than 225,000 farm loan payments each year. Pay My Loan gives most borrowers an online repayment option and relieves them from needing to call, mail, or visit a Service Center to pay their loan installment. Farm loan payments can now be made at the borrower's convenience, on their schedule and outside of FSA office hours.

Pay My Loan also provides time savings for FSA's farm loan employees by minimizing manual payment processing activities. This new service for producers means that farm loan employees will have more time to focus on reviewing and processing new loans or servicing requests.

The Pay My Loan feature can be accessed at farmers.gov/loans. To use the payment feature, producers must establish a USDA customer account and a <u>USDA Level 2 eAuthentication</u> ("eAuth") account or a <u>Login.gov account</u>. This initial release only allows individuals with loans to make online payments. For now, borrowers with jointly payable checks will need to continue to make loan payments through their local office.

FSA has a significant initiative underway to streamline and automate the Farm Loan Program customer-facing business process. For the over 26,000 producers who submit a direct loan application annually, FSA has made various improvements including:

- The <u>Online Loan Application</u>, an interactive, guided application that is paperless and
 provides helpful features including an electronic signature option, the ability to attach
 supporting documents such as tax returns, complete a balance sheet, and build a farm
 operating plan.
- The <u>Loan Assistance Tool</u> that provides customers with an interactive online, step-bystep guide to identifying the direct loan products that may be a fit for their business needs and to understanding the application process.
- A <u>simplified direct loan paper application</u>, which reduced loan applications by more than half, from 29 pages to 13 pages.

More Information

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

USDA Invests Approximately \$11.5 Million in Composting and Food Waste Reduction Projects in 23 States, including South Carolina



USDA is investing approximately \$11.5 million in 38 cooperative agreements that support innovative, scalable waste management plans to reduce and divert food waste from landfills. This includes one project in South Carolina. The Composting and Food Waste Reduction (CFWR) cooperative agreements, which are funded by the American Rescue Plan Act, are part of USDA's broad support for urban agriculture. The CFWR program is jointly

administered by USDA's Office of Urban Agriculture and Innovative Production (OUAIP) and the National Institute of Food and Agriculture (NIFA).

Learn more about the projects.

Agriculture Risk Coverage and Price Loss Coverage Programs Receive 2018 Farm Bill One Year Extension, Farmers Can Now Enroll for the 2024 Crop Year



The U.S. Department of Agriculture (USDA) today announced that agricultural producers can now enroll in the Farm Service Agency's (FSA) <u>Agriculture Risk Coverage</u> (ARC) and <u>Price Loss Coverage (PLC)</u> programs for the 2024 crop year. Producers can enroll and make election changes for the 2024 crop year starting Dec. 18, 2023. The deadline to complete enrollment and any election change is

March 15, 2024.

On Nov. 16, 2023, President Biden signed into law H.R. 6363, the *Further Continuing Appropriations and Other Extensions Act, 2024* (Pub. L. 118-22), which extended the *Agriculture Improvement Act of 2018* (Pub. L. 115-334), more commonly known as the 2018 Farm Bill, through September 30, 2024. This extension allows authorized programs, including ARC and PLC, to continue operating.

2024 Elections and Enrollment

Producers can elect coverage and enroll in ARC-County (ARC-CO) or PLC, which provide crop-by-crop protection, or ARC-Individual (ARC-IC), which protects the entire farm. Although election changes for 2024 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm it will continue for 2024 unless an election change is made.

If producers do not submit their election revision by the March 15, 2024, deadline, their election remains the same as their 2023 election for commodities on the farm. Farm owners cannot enroll in either program unless they have a share interest in the cropland.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

2022 Crop Year Payments

This fall, FSA issued payments totaling more than \$267 million to agricultural producers who enrolled in the 2022 ARC-CO option and the ARC ARC-IC option for covered commodities that triggered a payment. Payments through the PLC option did not trigger for the 2022 crop year.

ARC and PLC payments for a given crop year are paid out the following fall to allow actual county yields and the Market Year Average prices to be finalized. These payments help mitigate fluctuations in either revenue or prices for certain crops. Payments for crops that may trigger for the 2023 crop year will be issued in the fall of 2024.

Crop Insurance Considerations

ARC and PLC are part of a broader USDA safety net that also includes crop insurance and marketing assistance loans.

Producers are reminded that ARC and PLC elections and enrollments can impact eligibility for some crop insurance products.

Producers on farms with a PLC election can purchase Supplemental Coverage Option (SCO) through their Approved Insurance Provider; however, producers on farms where ARC is the election are ineligible for SCO on their planted acres for that crop on that farm.

Unlike SCO, the Enhanced Coverage Option (ECO) is unaffected by an ARC election. Producers may add ECO regardless of the farm program election.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres for that farm.

Web-Based Decision Tools

Many universities offer web-based decision tools to help producers make informed, educated decisions using crop data specific to their respective farming operations. Producers are encouraged to use the tool of their choice to support their ARC and PLC elections.

More Information

For more information on ARC and PLC, producers can visit the <u>ARC and PLC webpage</u> or contact their local <u>USDA Service Center</u>. Producers can also make elections and complete enrollment <u>online with level 2 eAuth</u>.

USDA to Issue \$306 Million in Final Payments to Producers Impacted by 2020 and 2021 Natural Disasters

The U. S Department of Agriculture (USDA) is issuing final <u>Emergency Relief Program</u> (ERP) payments totaling approximately \$306 million to eligible commodity and specialty crop producers who incurred losses due to natural disasters in 2020 and 2021. USDA's Farm Service Agency (FSA) will begin issuing these additional payments to eligible producers this week.

Recipients of the additional payment are limited to those producers who received ERP Phase One payments from FSA that were calculated based on crop insurance indemnities. Initially,

ERP Phase One payments to producers who were indemnified through Federal crop insurance, were subject to a 75% payment factor. FSA has since determined that adequate funding exists to provide an additional 3.5% ERP Phase One payment to producers who had crop insurance increasing the overall payment factor to 78.5%. These additional ERP Phase One payments are subject to FSA payment limitation provisions as outlined in the ERP Phase One fact sheet.

Because ERP Phase One payments to producers of noninsured crops covered by FSA NAP policies were originally paid at 100%, there will be no additional payments issued to these producers for 2020 and 2021 losses.

The Extending Government Funding and Delivering Emergency Assistance Act, 2021 (P.L. 117-43) provided \$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. In 2022, FSA implemented ERP Phase One, which delivered \$7.5 billion in payments to commodity and specialty crop producers. For Phase One, ERP used a streamlined process with pre-filled application forms, leveraging crop insurance indemnities or Noninsured Crop Disaster Assistance Program (NAP) payments on file with USDA.

Separately, through the Disaster Relief Supplemental Appropriations Act, 2023 (P.L. 117-328) Congress allocated approximately \$3.2 billion in funding to cover necessary expenses related to losses of revenue, quality or production losses of crops. Enrollment is ongoing for ERP 2022, which covers losses to crops, trees, bushes and vines due to qualifying, calendar year 2022 natural disaster events including wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought and related conditions.

South Carolina Producers Encouraged to Apply for USDA's Continuous Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is now accepting applications for the Continuous Conservation Reserve Program (Continuous CRP). USDA's Farm Service Agency (FSA) encourages agricultural producers and landowners in South Carolina who are interested in conservation opportunities for their land in exchange for yearly rental payments to consider the enrollment options available through Continuous CRP, which also includes the Conservation Reserve Enhancement Program (CREP) offered by FSA partners. Additionally, producers participating in CRP can now apply to re-enroll, if their contracts will expire this year.

To submit an offer, producers should contact the FSA at their local <u>USDA Service Center</u> by July 31, 2024, in order to have an offer effective by Oct. 1, 2024. To ensure enrollment acreages do not exceed the statutory cap, FSA will accept offers from producers on a first-come, first-served basis and will return offers for approval in batches throughout the year.

Additionally, producers with acres enrolled in Continuous CRP set to expire Sept. 30, 2024, can now offer acres for re-enrollment. A producer can both enroll new acres into Continuous CRP and re-enroll any acres expiring Sept. 30, 2024.

FSA water quality practices, such as riparian buffers, prairie strips, grassed waterways, and wetlands, will receive an additional 20% incentive. Buffer practices have a positive impact on water quality. Additionally, the Climate-Smart Practice Incentive launched in 2021 is also available in the Continuous signup.

Submit Loan Requests for Financing Early

South Carolina Farm Loan teams in are already working on operating loans for spring 2024 and asks potential borrowers to submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

NAP: Risk Management for Non-Insurable Crops

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to you for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

In order to participate, you must obtain NAP basic or buy-up coverage for the crop year by the applicable deadline using form CCC-471 "Application for Coverage" and pay the applicable service fee and premium. 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. Application closing dates vary by crop.

Producers are also required to submit an acceptable crop acreage report. Additionally, NAP participants must provide:

- The quantity of all harvested production of the crop in which the producer held an interest during the crop year
- The disposition of the harvested crop, such as whether it is marketable, unmarketable, salvaged or used differently than intended
- Acceptable crop production records (when requested by FSA)

Producers who fail to report acreage and production information for NAP-covered crops could see reduced or zero NAP assistance. These reports are used to calculate the approved yield.

If your NAP-covered crops are affected by a natural disaster, notify your FSA office by completing Part B of form CCC-576 "Notice of Loss and Application for Payment." This must be completed within 15 calendar days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date. For hand-harvested crops and certain perishable crops, you must notify FSA within 72 hours of when a loss becomes apparent.

To receive benefits, you must also complete Parts D, E, F and G of the CCC-576 "Notice of Loss and Application for Payment" within 60 days of the last day of coverage for the crop year for any NAP covered crops. The CCC-576 requires acceptable appraisal information. Producers must provide evidence of production and note whether the crop was marketable, unmarketable, salvaged or used differently than intended.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, visit <u>fsa.usda.gov/nap</u>.

Farmers.gov Portal

Looking for ways to do business with USDA that saves you time? Look no further than <u>farmers.gov</u>.

When you create a farmers.gov account for the farmers.gov authenticated site, you have access to self-service features through a secure login. Managing your business with the Farm Service Agency (FSA) and the National Resources Conservation Service (NRCS) is faster

than ever. From e-signing documents, viewing, printing, and exporting maps and receiving notifications of payment disbursements, a farmers.gov authenticated account makes doing business with USDA easy and secure.

What can you do with your farmers.gov account?

- Submit a Direct Farm Loan application. This tool and other process improvements allow farmers and ranchers to submit complete loan applications. Helpful features include an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet, and build a farm operating plan.
- View NRCS Disbursements and Farm Loans financial activity from the past 180 days.
- View, print and export detailed farm records and farm/tract maps.
- Export common land unit (field) boundaries as ESRI and GeoJSON file types.
- Import precision agriculture planting boundaries, create labels containing crop information, and print both on farm tract maps.
- Use the draw tools to determine acres in an area of interest that can be printed on a map and provided to a third party or exported as a feature file for use in other geospatial applications.
- View, upload, download and e-sign NRCS documents.
- Request conservation and financial assistance, including submitting a program application.
- Access information on current and past conservation practices, report practice completion and request practice certification
- View detailed information on previous and ongoing contracts, including the amount of cost- share assistance received and request contract modifications.
- View Farm Loan Program loans: View Farm Loan principal and interest balances, payment history, loan terms, and download interest statements.

How do you create a farmers.gov account?

To create a farmers.gov account you will need:

- A USDA individual customer record A customer record contains information you
 have given to USDA to do business with them, like your name, address, phone
 number, and any legal representative authority relationships.
- A login.gov account Login.gov is a sign-in service that gives people secure online access to participating government programs.
- Customers who are new to USDA should visit <u>Get Started at Your USDA Service</u> <u>Center</u>, then go to <u>gov/account</u> to create a farmers.gov account.

In addition to the self-service features, <u>farmers.gov</u> also has information on USDA programs, farm loans, disaster assistance, conservation programs and crop insurance.

Filing CCC-941 Adjusted Gross Income Certifications

If you have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs), it may be because you have not filed form CCC-941, *Adjusted Gross Income Certification*.

If you don't have a valid CCC-941 on file for the applicable crop year you will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2018, 2019, 2020, 2021, and 2022. Unlike the past, you must have the CCC-941 certifying your AGI compliance before any payments can be issued.

South Carolina Farm Service Agency

1927 Thurmond Mall Suite 100 Columbia, SC 29201

Phone: 803.806-3820 Website: <u>www.fsa.usda.gov/sc</u>

State Executive Director Laurie Funderburk

laurie.funderburk@usda.gov

Administrative Officer

Kenn Jameson kenn.jameson@usda.gov

Farm Programs Chief

Linda Williams linda.c.williams@usda.gov

Farm Loan Programs Chief

William Shelley
william.shelley@usda.gov

State Committee:

Anthony Grant, Committee Chair

Lawrence Weathers

Mary Frances Koon

J.E.B. Wilson

Warren Dixon