From the FSA State Executive Director

Happy Holidays! First, we want to thank all our producers across Texas for remaining dedicated to feeding and clothing the world after a trying year. From dealing with a continuing pandemic, a historic winter storm, a hurricane, severe drought conditions and everything in between, we persevered through it all as we always do, Texas strong. I also want to thank our dedicated Texas FSA staff for another year of tireless work and commitment to supporting Texas agriculture. Without them, we would not be able to provide the steadfast service to producers across Texas.
Drought conditions are prevalent across Texas and impacting livestock producers. The Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who have suffered grazing losses, due to qualifying drought conditions, for eligible livestock on land that is native or improved pastureland with permanent vegetative cover or is planted specifically for grazing. More than 150 Texas counties are eligible to apply for assistance on various grass types for 2021 losses. The deadline to apply for LFP assistance is Jan. 30, 2022. Visit the FSA Texas webpage for a list of eligible counties and grazing crops.

Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) enrollment for crop year 2022 is open. FSA is encouraging producers to contact their local USDA Service Centers to make or change elections and to enroll for 2022, providing future protections against market fluctuations. The election and enrollment period opened on Oct. 18, 2021 and runs through March 15, 2022.

USDA opened signup for 2022 enrollment in the Dairy Margin Coverage (DMC) Program as well as expanded the program to allow dairy producers to enroll supplemental production. Supplemental DMC will provide $580 million to better help small- and mid-sized dairy operations that have increased production over the years but were not able to enroll the additional production. Now, they can and retroactively receive payments. The signup period for both DMC 2022 and Supplemental DMC will run from Dec. 13 to Feb. 18.

The Spot Market Hog Pandemic Program (SMHPP) is part of USDA’s Pandemic Assistance for Producers initiative. FSA is providing assistance as packer production was reduced due to the COVID-19 pandemic resulting in fewer negotiated hogs being procured and subsequent lower market prices. FSA will accept applications for SMHPP from December 15, 2021 through February 25, 2022.

There are a variety of programs that you may be interested in and FSA staff is here to answer your questions. We remind you to call your local FSA office first to make an appointment before visiting.

I wish you all a Merry Christmas and a Happy New Year!

Sincerely,

Eddie Trevino
Acting State Executive Director
Farm Service Agency - Texas

From the NRCS State Conservationist

In 2021, NRCS obligated $108 million in Farm Bill conservation programs to apply conservation measures on 6.8 million acres of Texas farm, ranch, and forest land. Voluntary conservation is making a positive impact on our soil and water resources, and we stand ready to provide more technical and financial assistance in 2022.

We are currently accepting applications for the Agricultural Conservation Easement Program. While we accept easement
applications on a continuous basis, applications for the next funding consideration must be submitted by December 31, 2021. There are two easement options available:

- **ACEP Agricultural Land Easements** provide financial assistance to eligible partners for purchasing easements that protect the agricultural use and conservation values of eligible land. In the case of working farms, the program helps farmers and ranchers keep their land in agriculture.

- **ACEP Wetlands Reserve Easements** allow landowners to successfully restore, enhance and protect habitat for wildlife on their lands, reduce damage from flooding, recharge groundwater and provide outdoor recreational and educational opportunities. Tribal landowners also have the option of enrolling in 30-year contracts.

Through the Infrastructure Investment and Jobs Act, additional funding was designated for NRCS to accelerate existing watershed projects with project sponsors and take on new ones at the request of potential sponsors. Potential sponsors should contact their local NRCS office or State Watershed Program manager for more information. Nationally, NRCS will receive a total of $918 million:

- Watershed operations - $500 million
- Watershed Rehabilitation - $118 million
- Emergency Watershed Protection - $300 million

Funding for Watershed Operations allows NRCS to provide technical and financial assistance to entities of State and local governments and Tribes (project sponsors) for planning and installing watershed projects. Authorized project purposes are watershed protection, conservation and proper utilization of land, flood prevention, agricultural water management including irrigation and drainage, public recreation, public fish and wildlife, municipal and industrial water supply, hydropower, water quality management, ground water supply, agricultural pollution control, and other water management.

Funding for Watershed Rehabilitation allows NRCS to offer financial and technical assistance to rehabilitate dams constructed through NRCS Watershed Programs. This program extends the service life of dams to meet applicable safety and performance standards or decommission the dams, so they no longer pose a threat to life and property.

Emergency Watershed Protection allows NRCS to undertake emergency watershed protection measures with sponsors, including the purchase of floodplain easements, for runoff retardation and soil erosion prevention to safeguard lives and property from the impacts of fire, flood, or any other natural occurrence that caused a sudden impairment of that watershed.

Also new for 2022 will be Conservation Incentive Contracts through the Environmental Quality Incentives Program (EQIP). Originally a pilot program in 2021, this will now be offered in all states to provide financial assistance to adopt conservation activities on working landscapes. The 2018 Farm Bill created the new Conservation Incentive Contracts option to address high-priority conservation and natural resource concerns and serve as a steppingstone between EQIP and the Conservation Stewardship Program.

A reminder that the 4th Annual Texas Hispanic Farmer and Rancher conference, hosted by the University of Texas, Rio Grande Valley, will be held virtually January 12 and 13, 2022. Attendance is free and will cover topics on USDA programs for ag producers, sustainable production methods, soil health, and farmers’ mental health. There will also be a Texas

Wishing you a happy holiday season and a happy new year!

Sincerely,
Kristy Oates
State Conservationist
Natural Resources Conservation Service - Texas

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USDA Opens 2022 Signup for Dairy Margin Coverage, Expands Program for Supplemental Production

USDA opened signup for the Dairy Margin Coverage (DMC) Program and expanded the program to allow dairy producers to better protect their operations by enrolling supplemental production. This signup period – which runs from Dec. 13, 2021 to Feb. 18, 2022 – enables producers to get coverage through this important safety-net program for another year as well as get additional assistance through the new Supplemental DMC. Read more at fsa.usda.gov/tx.

USDA Provides Additional Pandemic Assistance to Hog Producers

The U.S. Department of Agriculture (USDA) announced a new program to assist hog producers who sold hogs through a negotiated sale during the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic. The Spot Market Hog Pandemic Program (SMHPP) is part of USDA’s Pandemic Assistance for Producers initiative and addresses gaps in previous assistance for hog producers. USDA’s Farm Service Agency (FSA) will accept applications Dec. 15, 2021 through Feb. 25, 2022.

SMHPP provides assistance to hog producers who sold hogs through a negotiated sale from April 16, 2020 through Sept. 1, 2020. Negotiated sale, or negotiated formula sale, means a sale of hogs by a producer to a packer under which the base price for the hogs is determined by seller-buyer interaction and agreement on a delivery day. USDA is offering SMHPP as packer production was reduced due to the COVID-19 pandemic due to employee illness and supply chain issues, resulting in fewer negotiated hogs being procured and subsequent lower market prices.

The Department has set aside up to $50 million in pandemic assistance funds through the Coronavirus Aid, Relief and Economic Security (CARES) Act for SMHPP.

SMHPP Program Details

Eligible hogs include hogs sold through a negotiated sale by producers between April 16, 2020, and Sept. 1, 2020. To be eligible, the producer must be a person or legal entity
who has ownership in the hogs and whose production facilities are located in the United States, including U.S. territories. Contract producers, federal, state and local governments, including public schools and packers are not eligible for SMHPP.

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of $54 per head. FSA will issue payments to eligible hog producers as applications are received and approved.

**Applying for Assistance**

Eligible hog producers can apply for SMHPP starting Dec. 15, 2021, by completing the FSA-940, Spot Market Hog Pandemic Program application. Additional documentation may be required. Visit [farmers.gov/smhpp](http://farmers.gov/smhpp) for a copy of the Notice of Funds Availability, information on applicant eligibility and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit [farmers.gov/service-locator](http://farmers.gov/service-locator). Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

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### 4th Texas Hispanic Farmer & Rancher Conference

The 4th Texas Hispanic Farmer & Rancher Conference on January 12-13 will bring together online a diverse group of professionals with experience and knowledge about agricultural production, marketing and business. The University of Texas Rio Grande Valley Center for Sustainable Agriculture and Rural Agriculture (UTRGV SARA) is hosting this free conference via Zoom. Spanish presentations and translations will be available.

All sessions will take place from 9 a.m. to 4 p.m. The conference is free to join. For information on producer stipends, contact Robert Maggiani at [ROBERTM@NCAT.ORG](mailto:ROBERTM@NCAT.ORG).

**Two NCAT staffers will be among the presenters:** NCAT Sustainable Agriculture Specialist Kara Kroeger will talk about activities for ranchers included in NCAT’s Soils for Water program. Also, NCAT Sustainable Agriculture Specialist Justin Duncan will discuss cover crops in agronomic scenarios.


Registration: [https://utrgv.zoom.us/webinar/register/WN_iBVITVmhQw2ReRWg8uVDLQ](https://utrgv.zoom.us/webinar/register/WN_iBVITVmhQw2ReRWg8uVDLQ)

Los invitamos a participar en la **4.ª Conferencia de Ganaderos y Agricultores Hispanos de Texas**, que se celebrará en línea los días 12 y 13 de enero. Para esta conferencia gratuita por Zoom, organizada por el Centro para la Agricultura Sostenible y el Progreso Rural (SARA, por sus siglas en inglés) de UTRGV, hemos convocado a un diverso grupo de profesionales con experiencia y conocimientos sobre producción, mercadotecnia y actividad agrícolas. Contaremos con interpretación y presentaciones en español.

Todas las sesiones tendrán lugar de 9 a. m. a 4 p. m. y el acceso a ellas es gratuito. Además, se ofrecerán subsidios para productores a fin de compensarles por el tiempo
dedicado a la conferencia. Para los subsidios para productores, ponerse en contacto con ROBERTM@NCAT.ORG.

Dos miembros del personal de NCAT estarán entre los presentadores.

Kara Kroeger, especialista en agricultura sostenible de NCAT, hablará sobre las actividades para los ganaderos incluidas en el programa Suelo por Agua de NCAT. Además, el especialista en agricultura sostenible de NCAT, Justin Duncan, analizará los cultivos de cobertura en escenarios agronómicos.

Noninsured Crop Coverage Helps Producers Manage Risks

The Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) helps you manage risk through coverage for both crop losses and crop planting that was prevented due to natural disasters. The eligible or "noninsured" crops include agricultural commodities not covered by federal crop insurance.

You must be enrolled in the program and have purchased coverage for the eligible crop in the crop year in which the loss incurred to receive program benefits following a qualifying natural disaster.

NAP Buy-Up Coverage Option

NAP offers higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Buy-up levels of NAP coverage are available if the producer can show at least one year of previously successfully growing the crop for which coverage is being requested.

Producers of organics and crops marketed directly to consumers also may exercise the “buy-up” option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Buy-up coverage is not available for crops intended for grazing.

NAP Service Fees

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.

NAP Enhancements for Qualified Military Veterans

Qualified veteran farmers or ranchers are eligible for a service fee waiver and premium reduction, if the NAP applicant meets certain eligibility criteria.

Beginning, limited resource and targeted underserved farmers or ranchers remain eligible for a waiver of NAP service fees and premium reduction when they file form CCC-860,
USDA Launches First Phase of Soil Carbon Monitoring Efforts through CRP

The U.S. Department of Agriculture (USDA) is investing $10 million in a new initiative to sample, measure, and monitor soil carbon on Conservation Reserve Program (CRP) acres to better quantify the climate outcomes of the program. CRP is an important tool in the Nation’s fight to reduce the worst impacts of climate change facing our farmers, ranchers, and foresters. This initiative will begin implementation in fall 2021 with three partners. Today’s announcement is part of a broader, long-term soil carbon monitoring effort across agricultural lands that supports USDA’s commitment to deliver climate solutions to agricultural producers and rural America through voluntary, incentive-based solutions.

These models include the Daily Century Model, or DayCent, which simulates the movement of carbon and nitrogen through agricultural systems and informs the National Greenhouse Gas Inventory. Data will also be used to strengthen the COMET-Farm and COMET-Planner tools, which enable producers to evaluate potential carbon sequestration and greenhouse gas emission reductions based on specific management scenarios.

USDA partners will conduct soil carbon sampling on three categories of CRP practice types: perennial grass, trees, and wetlands.

**Perennial grasses:** In consultation with USDA, Michigan State University will sample and measure soil carbon and bulk density of CRP grasslands (including native grass plantings, rangelands, and pollinator habitat plantings) at an estimated 600 sites across the U.S. with a focus in the central states during this five-year project. This information will be used to model and compare the climate benefits of CRP. Partners include the University of Wisconsin-Madison, the University of Arkansas at Pine Bluff, Deveron, an agriculture technology company, and Woods End Laboratories.

**Trees:** Mississippi State University will partner with Alabama A&M University to collect above and below ground data at 162 sites across seven states documenting CRP-related benefits to soil and atmospheric carbon levels. Information will help further calibrate the DayCent model. This five-year project will focus within the Mississippi Delta and Southeast states.

**Wetlands:** Ducks Unlimited and its partners will collect data on carbon stocks in wetland soils as well as vegetation carbon levels at 250 wetland sites across a 15-state area in the central U.S. Data will support the DayCent and additional modeling. Partners for this five-year project include: Migratory Bird Joint Venture, Intertribal Research and Resource Center at United Tribes Technical College, Clemson University, Kenyon College, Lincoln University, Pennsylvania State University, the University of Missouri, and the University of Texas at Austin.
CRP Monitoring, Assessment, and Evaluation Projects

These three Climate Change Mitigation Assessment Initiative projects are funded through FSA’s program to work with partners to identify Monitoring, Assessment and Evaluation (MAE) projects to quantify CRP environmental benefits to water quality and quantity, wildlife, and rural economies.

Applications for projects were welcome from all organizations, including public, private, nonprofit institutions, and educational institutions including historically Black colleges and universities, Tribal colleges and universities and Hispanic-serving institutions or organizations.

For more details on the all the awarded MAE projects, visit the FSA Monitoring Assessment & Evaluation webpage.

About the Conservation Reserve Program

CRP is one of the world’s largest voluntary conservation programs, with an established track record of preserving topsoil, sequestering carbon, reducing nitrogen runoff and providing healthy habitat for wildlife.

In exchange for a yearly rental payment, agricultural producers enrolled in the program agree to remove environmentally sensitive land from production and plant species that will improve environmental health and quality. In general, land is enrolled in CRP for 10 to 15 years, with the option of re-enrollment. FSA offers multiple CRP signups, including the general signup and continuous signup, as well as Grassland CRP and pilot programs focused on soil health and clean water. In 2021, producers and landowners enrolled more than 5.3 million acres in CRP signups, surpassing USDA’s 4-million-acre goal.

Earlier this year, USDA announced updates to CRP including higher payment rates, new incentives for environmental practices, and a more targeted focus on the program’s role in climate change mitigation. This included a new Climate-Smart Practice Incentive for CRP general and continuous signups that aims to increase carbon sequestration and reduce greenhouse gas emissions. Climate-Smart CRP practices include establishment of trees and permanent grasses, development of wildlife habitat, and wetland restoration. Download the “What’s New” fact sheet to learn more about CRP updates.

Implementing Fire Management on CRP Acres

FSA encourages you to be proactive in preventing the spread of wildfire. If you participate in the Conservation Reserve Program (CRP), you are responsible for fire management on your CRP acreage. The goal is to suppress the amount of fuel in the event of a wildfire while still promoting the diversity of the conservation cover.

One fire management practice includes installing firebreaks, which should be included in the contract support document and installed according to NRCS firebreak standards. Barren firebreaks will only be allowed in high risk areas, such as transportation corridors, rural communities, and adjacent farmsteads. A conservationist must certify that there will not be an erosion hazard from the barren firebreak. If erosion becomes a problem, remedial action will be taken.
You must complete the necessary management activities outside of the Primary Nesting Season. In Texas, the Primary Nesting Season is March 1 through June 1 for grazing benefits and March 1 through July 1 for all other activities. Remember that Fireguard technical practices should be outlined in your Conservation Plan of Operations (CPO).

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**Signature Policy**

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits.

The following are FSA signature guidelines:

- A married woman must sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- For a minor, FSA requires the minor’s signature and one from the minor’s parent

Note, by signing a document with a minor, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, etc.

When signing on one’s behalf the signature must agree with the name typed or printed on the form or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc.

FAXED signatures will be accepted for certain forms and other documents provided the acceptable program forms are approved for FAXED signatures. Producers are responsible for the successful transmission and receipt of FAXED information.

Examples of documents not approved for FAXED signatures include:

- Promissory note
- Assignment of payment
- Joint payment authorization
- Acknowledgement of commodity certificate purchase

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office.

Spouses cannot sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Likewise, a spouse cannot sign a document on behalf of the other in order to affirm the eligibility of oneself.

Any member of a general partnership can sign on behalf of the general partnership and bind all members unless the Articles of Partnership are more restrictive. Spouses may sign on behalf of each other’s individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office. Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts must consist of an indicator
“by” or “for” the individual’s name, individual’s name and capacity, or individual’s name, capacity, and name of entity.

For additional clarification on proper signatures contact your local FSA office.

**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.

**FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19**

USDA’s Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers with USDA farm loans who are affected by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive a letter with the details of the expanded Disaster Set-Aside authorities, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.

The set-aside payment’s due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower’s cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan applicants and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns. Customers participating
in FSA’s guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account, which provides access to the farmers.gov portal where producers can view USDA farm loan information and certain program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at farmers.gov/sign-in.

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**Higher Loan Limit Now Available for USDA Guaranteed Farm Loans**

The U.S. Department of Agriculture (USDA) announced a higher loan limit will be available for borrowers seeking a guaranteed farm loan starting Oct. 1, 2021, from $1.776 million to $1.825 million.

FSA farm loans offer access to funding for a wide range of producer needs, from securing land to financing the purchase of equipment. Guaranteed loans are financed and serviced by commercial lenders. FSA provides up to a 95% guarantee against possible financial loss of principal and interest. Guaranteed loans can be used for both farm ownership and operating purposes.

In fiscal year 2021, FSA saw continued strong demand for guaranteed loans. FSA obligated more than $3.4 billion in guaranteed farm ownership and operating loans. This includes nearly $1.2 billion for beginning farmers. The number of guaranteed borrowers has grown by 10% to more than 38,750 farmers and ranchers over the last decade. FSA expects the increasing demand for farm loans to continue into fiscal year 2022.

**Disaster Set-Aside Extension**

USDA has additional support available to producers given the recent outbreaks of the COVID-19 Delta variant and has extended the availability of COVID-19 Disaster Set-Aside (DSA) for installments due through Jan. 31, 2022. In addition, FSA will permit a second DSA for COVID-19 and a second DSA for natural disasters for those who had an initial COVID-19 DSA. Requests for a COVID-19 DSA or a second DSA must be received no later than May 1, 2022.

Last year, FSA broadened the use of the DSA. Normally used in the wake of natural disasters, the DSA can now allow farmers with USDA farm loans who are affected by COVID-19 and determined to be eligible, to have their next payment set aside. The set-aside payment’s due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This will improve the borrower’s cashflow in the current production cycle.
More Information

Producers can explore available options on all FSA loan options at fsa.usda.gov or by contacting their local USDA Service Center. Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, some USDA Service Centers are open to limited visitors. Contact your Service Center to set up an in-person or phone appointment. Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus.

USDA in Texas

Farm Service Agency
Acting State Executive Director
Eddie Trevino

Natural Resources Conservation Service
State Conservationist
Kristy Oates

Farm Service Agency
State Committee
Debra Barrett