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Update to Dairy Margin Coverage to Provide an Additional Money for Utah Dairy Producers

The U.S. Department of Agriculture will begin issuing additional payments next week for dairy producers who enrolled in 2020 and 2021 coverage through Dairy Margin Coverage (DMC). USDA's Farm Service Agency (FSA) updated the feed cost calculation by using 100% premium alfalfa hay rather than 50% premium hay in determining the monthly margin, which means an additional money for dairy producers in Utah. Payments will be retroactive to Jan. 1, 2020. Dairy operations with 2020 and 2021 contracts will be paid automatically for the applicable months.

In addition to updating the feed cost, USDA announced other dairy-related updates, including the start of the 2022 DMC signup as well as the new Supplemental DMC, Both will run from Dec. 13, 2021 to Jan. 18, 2022. DMC is an important safety-net program. So far in 2021, DMC payments have triggered for January through October for more than $1 billion.

More Information

To learn more or to participate in DMC, producers should contact their local USDA Service Center. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can also use the online dairy decision tool. Service Center staff continue to work with agricultural producers via phone, email and other digital tools. Because of the pandemic, some USDA Service
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 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. Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.
The U.S. Department of Agriculture will begin issuing final pandemic assistance payments to timber harvesters and timber hauling businesses through the Pandemic Assistance for Timber Harvesters and Haulers (PATHH) program starting next week. In total, $200 million will be provided to loggers and log trucking businesses who experienced a gross revenue loss of at least 10% during the period of Jan. 1 through Dec. 1, 2020, compared to the period of Jan. 1 through Dec. 1, 2019. This support is part of USDA’s broader Pandemic Assistance for Producers initiative.

Eligible PATHH applicants must have derived at least 50 percent of total gross revenue from timber harvesting and/or timber hauling. Specifically, eligible activities included cutting timber, transporting timber and/or the processing of wood on-site on the forest land, such as chipping, grinding, converting to biochar or cutting to smaller lengths.

The Consolidated Appropriations Act, 2021, authorized up to $200 million for PATHH. FSA issued initial payments up to $2,000 as applications were approved. Now that signup has ended and FSA has evaluated remaining funds, FSA has started to issue second payments to those applicants whose calculated payment amount was over $2,000.

Based on the number of actual PATHH applications filed, FSA will be required to lower the payment limitation for PATHH from $125,000 to $75,000 and apply a payment factor of 70.5% across all calculated payments to ensure program outlays do not exceed the available funding. These provisions were previously outlined in the Notice of Funding Availability in the event the revenue loss reported exceeded available funding.

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 Offers Disaster Assistance for Producers Facing Inclement Weather

Severe weather events create significant challenges and often result in catastrophic loss for agricultural producers. Despite every attempt to mitigate risk, your operation may suffer losses. USDA offers several programs to help with recovery.

Risk Management

For producers who have risk protection through Federal Crop Insurance or the Noninsured Crop Disaster Assistance Program (NAP), we want to remind you to report crop damage to your crop insurance agent or the local Farm Service Agency (FSA) office.

If you have crop insurance, contact your agency within 72 hours of discovering damage and be sure to follow up in writing within 15 days. If you have NAP coverage, file a Notice of Loss (also called Form CCC-576) within 15 days of loss becoming apparent, except for hand-harvested crops, which should be reported within 72 hours.

Disaster Assistance

USDA also offers disaster assistance programs, which is especially important to livestock, fruit and vegetable, specialty and perennial crop producers who have fewer risk management options.

First, the Livestock Indemnity Program (LIP) and Emergency Assistance for Livestock, Honeybee and Farm-raised Fish Program (ELAP) reimburses producers for a portion of the value of livestock, poultry and other animals that died as a result of a qualifying natural disaster event or for loss of grazing acres, feed and forage. And, the Livestock Forage Disaster Program (LFP) provides assistance to producers of grazed forage crop acres that have suffered crop loss due to a qualifying drought. Livestock producers suffering the impacts of drought can also request Emergency Haying and Grazing on Conservation Reserve Program (CRP) acres.

Next, the Tree Assistance Program (TAP) provides cost share assistance to rehabilitate and replant tree, vines or shrubs loss experienced by orchards and nurseries. This complements NAP or crop insurance coverage, which cover the crop but not the plants or trees in all cases.

For LIP and ELAP, you will need to file a Notice of Loss for livestock and grazing or feed losses within 30 days and honeybee losses within 15 days. For TAP, you will need to file a program application within 90 days.

Documentation
It’s critical to keep accurate records to document all losses following this devastating cold weather event. Livestock producers are advised to document beginning livestock numbers by taking time and date-stamped video or pictures prior to after the loss.

Other common documentation options include:

- Purchase records
- Production records
- Vaccination records
- Bank or other loan documents
- Third-party certification

**Other Programs**

The [Emergency Conservation Program](https://www.fsa.usda.gov/conservation/programs/emergency-conservation-program) and [Emergency Forest Restoration Program](https://www.fsa.usda.gov/conservation/programs/emergency-forest-restoration-program) can assist landowners and forest stewards with financial and technical assistance to restore damaged farmland or forests.

Additionally, FSA offers a variety of loans available including emergency loans that are triggered by disaster declarations and operating loans that can assist producers with credit needs. You can use these loans to replace essential property, purchase inputs like livestock, equipment, feed and seed, or refinance farm-related debts, and other needs.

Meanwhile, USDA’s Natural Resources Conservation Service (NRCS) provides financial resources through its [Environmental Quality Incentives Program](https://www.fsa.usda.gov/nrcs/programs/environmental-quality-incentives-program) to help with immediate needs and long-term support to help recover from natural disasters and conserve water resources. Assistance may also be available for emergency animal mortality disposal from natural disasters and other causes.

**Additional Resources**

Additional details – including payment calculations – can be found on our [NAP](https://www.fsa.usda.gov/nap), [ELAP](https://www.fsa.usda.gov/elap), [LIP](https://www.fsa.usda.gov/lip), and [TAP](https://www.fsa.usda.gov/tap) fact sheets. On farmers.gov, the [Disaster Assistance Discovery Tool](https://www.fsa.usda.gov/disaster-assistance), [Disaster-at-a-Glance fact sheet](https://www.fsa.usda.gov/factsheets/disaster-at-a-glance), and [Farm Loan Discovery Tool](https://www.fsa.usda.gov/farm-loan-discovery-tool) can help you determine program or loan options.

While we never want to have to implement disaster programs, we are here to help. To file a Notice of Loss or to ask questions about available programs, contact your local USDA Service Center. All [USDA Service Centers](https://www.fsa.usda.gov/service-centers) are open for business, including those that restrict in-person visits or require appointments because of the pandemic.

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**Applying for NAP Payments**

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 coverage for the crop year by the applicable deadline using form CCC-471 “Application for Coverage” and pay the service fee. 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, contact your local USDA Service Center or visit fsa.usda.gov/nap.

### USDA Climate Hubs

The USDA Climate Hubs translate climate science into action, putting USDA research and resources into practice. The Hubs develop and deliver science-based, region-specific information and technology to natural resource and agricultural managers to help you make climate-informed decisions that reduce agricultural risk and build resilience to climate change. Our useful tools can help you plan for and manage weather- and climate-related risks.

The Climate Hubs offer a variety of resources to help you manage weather and climate-risks, including tools and technology, outreach and education, and risk assessments:

- Tools and technology to help you respond effectively to climate change impacts including drought, extreme weather events, and changing growing seasons. We provide coordinated technical support to enhance USDA program delivery, especially to underserved and vulnerable communities.

The following tools can help you make informed management decisions on your operation:

- **Adaptation Workbook**: A flexible process to consider the potential effects of climate change and design land management and conservation actions to prepare for changing conditions.
- **Grass-Cast**: A grassland and forage productivity forecast for ranchers and rangeland managers.
- **AgRisk Viewer**: A new platform to access, analyze, and visualize historical crop insurance loss data to inform risk management efforts.
- **Seedlot Selection Tool**: A web-based mapping application that uses current or future climates to match seedlots and planting sites.
- Outreach, education, and technical support on innovative ways to help lower barriers to adaptation, mitigation, and resilience-building:
  - **Hurricane preparedness and recovery commodity guides**: Guides to help producers prepare for and recover from hurricane events.
- **‘As If You Were There’ 360 Demonstrations**: A unique collection of virtual field tours to experience how others are adapting to and mitigating extreme weather and climate-driven events.

- **Pacific Northwest Biochar Atlas**: Science-based guidance regarding biochar and its benefits, decision-support tools for biochar application, and case studies from early adopters.

- **Regional assessments of risk and vulnerability** and user-friendly information and data to support risk management and climate change response.

The Climate Hubs are a unique collaboration that connects USDA research and program agencies like the Natural Resources Conservation Service (NRCS), Farm Service Agency (FSA), Risk Management Agency (RMA), Economic Research Service, and Foreign Agricultural Service, among others.

We support USDA stakeholders by providing vulnerability assessments, curating decision-making tools, and facilitating stakeholder outreach on climate change and its impacts on working lands.

The Climate Hubs also amplify the work of other USDA agencies to ensure USDA is meeting the needs of customers like you.

- For example, the Southwest Climate Hub worked with RMA to provide more accessible, discoverable, and usable crop insurance data through the AgRisk Viewer.

- Our Northern Plains Climate Hub developed a grassland and forage productivity model and rangeland drought dashboard working closely with agencies and partners.

- At our Northeast Climate Hub, the NRCS liaison developed a webinar training titled "Helping farmers help the land through climate-smart farming" highlighting NRCS resource concerns and practices.

There are 10 regional Climate Hubs across the nation co-located at Agricultural Research Service (ARS) and U.S. Forest Service (USFS) research units. To find your regional Climate Hub contacts visit climatehubs.usda.gov/contact. For more information on the Climate Hubs, visit climatehubs.usda.gov/. We are happy to help connect producers, USDA staff, and stakeholders to each other and to the best resources USDA has to offer.

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**Change to Policy on Filing a Notice of Loss for Grazed Forage Producers with NAP Coverage**

For the 2021 and subsequent crop years, NAP forage producers with the intended use of grazing who elect to use independent assessments or other approved alternative loss percentage methods to establish their loss are no longer required to file a CCC-576 Notice of Loss with FSA. However, a CCC-576 Application for Payment form must be submitted to FSA no later than 60 calendar days after the coverage period ends.

Producers that elect to have the grazing loss determined using similar mechanically harvested units still must timely file a CCC-576 Notice of Loss within 15 days of the disaster event or damage to the crop first becomes apparent or within 15 days of harvest.

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**Reminders for FSA Direct and Guaranteed Borrowers with Real Estate Security**

Farm loan borrowers who have pledged real estate as security for their Farm Service Agency (FSA) direct or guaranteed loans are responsible for maintaining loan collateral. Borrowers must
obtain prior consent or approval from FSA or the guaranteed lender for any transaction that affects real estate security. These transactions include, but are not limited to:

- Leases of any kind
- Easements of any kind
- Subordinations
- Partial releases
- Sales

Failure to meet or follow the requirements in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read [Your FSA Farm Loan Compass](#).

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**USDA Builds Pandemic Support for Certified Organic and Transitioning Operations**

The U.S. Department of Agriculture (USDA) will provide pandemic assistance to cover certification and education expenses to agricultural producers who are certified organic or transitioning to organic. USDA will make $20 million available through the new [Organic and Transitional Education and Certification Program (OTECP)](https://www.usda.gov) as part of USDA’s broader [Pandemic Assistance for Producers initiative](https://www.usda.gov), which provides new, broader and more equitable opportunities for farmers, ranchers and producers.

During the COVID-19 pandemic, certified organic and transitional operations faced challenges due to loss of markets, and increased costs and labor shortages, in addition to costs related to obtaining or renewing their organic certification, which producers and handlers of conventionally grown commodities do not incur. Transitional operations also faced the financial challenge of implementing practices required to obtain organic certification without being able to obtain the premium prices normally received for certified organic commodities.

**Eligible Expenses**

OTECP funding is provided through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Certified operations and transitional operations may apply for OTECP for eligible expenses paid during the 2020, 2021 and 2022 fiscal years. For each year, OTECP covers 25% of a certified operation’s eligible certification expenses, up to $250 per certification category (crop, livestock, wild crop, handling and State Organic Program fee). This includes application fees, inspection fees, USDA organic certification costs, state organic program fees and more.

Crop and livestock operations transitioning to organic production may be eligible for 75% of a transitional operation’s eligible expenses, up to $750, for each year. This includes fees charged by a certifying agent or consultant for pre-certification inspections and development of an organic system plan.

For both certified operations and transitional operations, OTECP covers 75% of the registration fees, up to $200, per year, for educational events that include content related to organic production and handling in order to assist operations in increasing their knowledge of production and marketing practices that can improve their operations, increase resilience and expand available marketing opportunities. Additionally, both certified and transitional operations may be eligible for
75% of the expense of soil testing required under the National Organic Program (NOP) to document micronutrient deficiency, not to exceed $100 per year.

Applying for Assistance

Signup for 2020 and 2021 OTECP will be Nov. 8, 2021, through Jan. 7, 2022. Producers apply through their local Farm Service Agency (FSA) office and can also obtain one-on-one support with applications by calling 877-508-8364. Visit farmers.gov/otecp to learn more.

Additional Organic Support

OTECP builds upon USDA’s Organic Certification Cost Share Program (OCCSP) which provides cost share assistance of 50%, up to a maximum of $500 per scope, to producers and handlers of agricultural products who are obtaining or renewing their certification under the NOP. This year’s application period for OCCSP ended Nov. 1, 2021.

Additionally, USDA’s Risk Management Agency announced improvements to the Whole-Farm Revenue Program including increasing expansion limits for organic producers to the higher of $500,000 or 35%. Previously, small and medium size organic operations were held to the same 35% limit to expansion as conventional practice producers. Also, producers can now report acreage as certified organic, or as acreage in transition to organic, when the producer has requested an organic certification by the acreage reporting date.

To learn more about USDA’s assistance for organic producers, visit usda.gov/organic.

As USDA looks for long-term solutions to build back a better food system, the Department is committed to delivery of financial assistance to farmers, ranchers and agricultural producers and businesses who have been impacted by COVID-19 market disruptions. Since USDA rolled out the Pandemic Assistance for Producers initiative in March, the Department has provided support to America’s farmers and ranching including:

- $18 billion in Coronavirus Food Assistance Program payments, including a fourfold increase in participation by historically underserved producers since the program reopened in April 2021.
- Over $35 million in assistance for those who had to depopulate livestock and poultry due to insufficient processing access (Pandemic Livestock Indemnity Program).
- Over $7 million to date for the logging and logistics industry (Pandemic Assistance for Timber Harvesters and Haulers). Final payments are being calculated to be disbursed soon.
- $1 billion to purchase healthy food for food insecure Americans and build food bank capacity.
- $350 million in additional dairy assistance related to market volatility.
- $500 million deployed through existing USDA programs.

For more details, please visit www.farmers.gov/pandemic-assistance.

USDA Offers Online Tool for Drought-Stricken Ranchers to Estimate Compensation for Feed Transportation Costs

An online tool is now available to help ranchers document and estimate payments to cover feed transportation costs caused by drought, which are now covered by the Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP). The U.S. Department of Agriculture (USDA) updated the program this year to include feed transportation costs as well
as lowered the threshold for when assistance for water hauling expenses is available. USDA’s Farm Service Agency (FSA) will begin taking applications this fall.

The new **ELAP Feed Transportation Producer Tool** is a Microsoft Excel workbook that enables ranchers to input information specific to their operation to determine an estimated payment. Final payments may vary depending on eligibility.

To use the tool, ranchers will need:

- Number of truckloads for this year.
- Mileage per truckload this year.
- Share of feed cost this year (if splitting loads).
- Number of truckloads you normally haul.
- Normal mileage per truckload.
- Share of normal feed cost

The tool requires Microsoft Excel, and a [tutorial video](#) is available.

**Updates to ELAP**

ELAP provides financial assistance to eligible producers of livestock, honeybees and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions as determined by the Secretary of Agriculture. ELAP now covers feed transportation costs where grazing and hay resources have been depleted. This includes places where:

Drought intensity is D2 for eight consecutive weeks as indicated by the [U.S. Drought Monitor](#); or

Drought intensity is D3 or greater.

The tool calculates the estimated payment for feed transportation assistance, but it is not an application. Once FSA begins accepting applications later this fall for feed transportation assistance, ranchers should contact their FSA county office to apply. To simplify the application process, ranchers can print or email payment estimates generated by this tool for submission to FSA. The deadline to apply for ELAP, including feed transportation costs, for 2021 is Jan. 31, 2022.

ELAP already covers above normal costs for hauling water to livestock in areas where drought intensity is D3 or greater on the drought monitor. FSA is also updating ELAP to also cover water hauling in areas experiencing D2 for eight consecutive weeks, lowering the threshold for this assistance to be available. Program benefits are retroactive for 2021.

**Payment Calculations**

USDA will reimburse eligible ranchers 60% of feed transportation costs above what would have been incurred in a normal year. Producers qualifying as underserved (socially disadvantaged, limited resource, beginning or military veteran) will be reimbursed for 90% of the feed transportation cost above what would have been incurred in a normal year.

USDA uses a national cost formula to determine reimbursement costs that will not include the first 25 miles and distances exceeding 1,000 transportation miles. The calculation will also exclude the normal cost to transport hay or feed if the producer normally purchases some feed. For 2021, the initial cost formula of $6.60 per mile will be used (before the percentage is applied).

**Eligibility**

To be eligible for ELAP assistance, livestock must be intended for grazing and producers must have incurred feed transportation costs on or after Jan. 1, 2021. Although producers will self-certify...
losses and expenses to FSA, producers are encouraged to maintain good records and retain receipts and related documentation in the event these documents are requested for review by the local FSA County Committee.

More Drought Recovery Information

USDA has taken additional steps to assist drought-impacted producers, including:

- Extending deadlines for crop insurance premium and administrative fees, and deferring interest accrual.
- Streamlining and accelerating losses and issuance of indemnity payments for crop insurance.
- Investing $41.8 million through a four-state pilot of the Environmental Quality Incentives Program Conservation Incentive Contracts focused on drought practices.
- Investing $15 million through a block grant to the Klamath Drought Response Agency to provide payments to producers to reduce irrigation demand.

USDA offers a comprehensive portfolio of disaster assistance programs. On farmers.gov, the Disaster Assistance Discovery Tool, Disaster Assistance-at-a-Glance fact sheet, and Farm Loan Discovery Tool can help producers and landowners determine all program or loan options available for disaster recovery assistance. For details, producers should contact their local USDA Service Center.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency’s (FSA) Direct Farm Ownership loans can help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

There are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a Direct Farm Ownership Microloan option for smaller financial needs up to $50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a joint financing loan is $600,000, and the repayment period for the loan is up to 40 years.

The operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about farm loans, contact your local USDA Service Center or visit fsa.usda.gov.