

Vermont FSA Newsletter - February 12, 2024

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Dates to Remember

02/19/2024	Offices Closed for Washington's Birthday
02/29/2024	Deadline for Notice of Loss and Application for Payment for Livestock Indemnity Program (LIP)
03/15/2024	Agriculture Risk Coverage/Price Loss Coverage (ARC/PLC) Enrollment Deadline
03/15/2024	Application Deadline for <u>Non-Insured Disaster Assistance Program</u> (NAP) Coverage on Annual Crops, Hemp, and Spring Seeded Small Grains

Note from the State Executive Director

January is over and the bizarre weather keeps delivering. I know a number of windstorms have impacted maple sugar producers with trees and limbs on their lines. Especially frustrating now that quite a number of producers are already gathering sap and boiling. Report any damage to your local county FSA office, and see if you are eligible for assistance in restoring your operations.

I know many farmers are purchasing feed to fill gaps in their supply for this winter. Those gaps having been caused by the excessive rain and flooding, reducing both quantity and quality of feed. There is financial assistance available to eligible producers for trucking feed, if you have to haul it a distance greater than 25 miles from your operation. The program is ELAP, Emergency Livestock

Assistance Program, please go to your local FSA office and check your eligibility, at \$6.60/loaded mile this could be a big help.

There are a number of farmer meetings in the next month, like the No-Till Conference and the Dairy Producers Conference. I look forward to meeting you there and having a chat.

Disaster Set-Aside Program for Farm Loan Borrowers



Farm Service Agency (FSA) borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and relieves immediate and temporary financial stress. FSA is authorized to consider

setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

Reporting Organic Crops

If you want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and you select the "organic" option on your NAP application, you must report your crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage. You must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect.

Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification

- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) <u>Direct Farm Ownership loans</u> 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 <u>Direct Farm Ownership Microloan</u> 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.

Policy Updates for Acreage Reporting

The USDA Farm Service Agency (FSA) recently made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of "idle" and "fallow."

Reporting Cover Crops

Cover crop types can be chosen from the following four categories:

- Cereals and other grasses
- Legumes
- Brassicas and other broadleaves
- Mixtures

If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

Permitted Revision of Intended use After Acreage Reporting Date

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee's satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

Acreage Reports

In order to maintain program eligibility and benefits, you must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

Reporting Grazing Allotments

FSA offices can now accept acreage reports for grazing allotments. You will use form "FSA-578" to report grazing allotments as animal unit months (AUMs) using the "Reporting Unit" field. Your local FSA office will need the grazing period start and end date and the percent of public land.

Definitions of Terms

FSA defines "idle" as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row.

Fallow is considered unplanted cropland acres which are part of a crop/fallow rotation where cultivated land that is normally planted is purposely kept out of production during a regular growing season.

Composting and Food Waste Reduction Projects

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. 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).

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