

U.S. DEPARTMENT OF AGRICULTURE

CROOK & WESTON COUNTY MONTHLY UPDATE - FEBRUARY 2023

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Staci's Corner

The staff in Sundance and Newcastle are wrapping up the 2022 Livestock Indemnity Program (LIP). For 2022 livestock losses, you must have filed a notice within 30 calendar days of when the loss is first apparent. You then must provide the following supporting documentation to your local FSA *office BY MARCH 1, 2023*:



- * Proof of death documentation
- * Copy of grower's contracts
- * Proof of normal mortality documentation
- * Beginning Inventory VERIFABLE records

We are all learning as much as we can and as fast as we can about the two new programs in the article below, ERP Phase II and PARP (Pandemic Assistance Relief Program). We will have more information as it becomes available to all of us.

Please JOIN US in NEWCASTLE on Wednesday, February 22nd for an OPEN HOUSE with the Weston County Conservation District, NRCS and FSA. We will have information on all kinds of programs we offer and we have new staff we'd love for you all to stop in and meet.

The Crook County Natural Resource Conservation District is having a Workshop on March 1st in Sundance from 6 – 8 pm in the Sundance State Bank Meeting Room (North End of US Post Office.) And on March 2nd from 6 – 8 pm in Newcastle at the Fairgrounds. The topic is "Smoothing the Transition." It is going to cover Estate Planning, Management Showdown (differences in perspective between generations) and Issues in Legacy Planning. Registration Cost is \$10 (allows participant to attend both programs.) Registration includes a light meal and take--home materials. **Register on Eventbrite:** bit.ly/smoothingthetransition

IMPORTANT DATES

February 20th – President's Day – Office CLOSED

March 1st – DEADLINE for 2022 LIP

March 15th – ARC/PLC Contract signature DEADLINE

April 12th – DEADLINE to Order Trees from the Conservation District

TECH TIPS

Did you know you can electronically sign applications for certain programs for FSA? Interested in learning this potential time saving feature?

Very Sincerely,

Staci

Rolling Out Revenue Based Disaster and Pandemic Assistance Programs

Beginning January 23, 2023, agricultural producers can begin to apply for two new important programs for revenue losses, from 2020 and 2021 natural disasters or the COVID-19 pandemic. Both programs equitably fill gaps in earlier assistance.

First, you may be eligible for assistance through the Emergency Relief Program (ERP)

Phase Two if you experienced revenue losses from eligible natural disasters in 2020 and 2021, ERP Phase Two is for producers who didn't receive assistance from ERP Phase One.



Applications for both new programs are due June 2, 2023, and you can apply for both programs during your same appointment with USDA's Farm Service Agency (FSA).

Historically, FSA programs have been designed to make direct payments to producers based on a single disaster event or for a single commodity loss. For many of you, this may be the first revenue-based program that you've applied for with FSA.

Why revenue-based programs?

ERP Phase Two and PARP take a much more holistic approach to disaster assistance, ensuring that producers not just make it through a single growing season but have the financial stability to invest in the long-term well-being of their operations and employees.

In general, ERP Phase Two payments are based on the difference in allowable gross revenue between a benchmark year, representing a typical year of revenue for the producer and the disaster year – designed to target the remaining needs of producers impacted by qualifying natural disasters and avoid duplicative payments. ERP Phase Two revenue loss is based on tax years.

For PARP, an agricultural producer must have been in the business of farming during at least part of the 2020 calendar year and had a decrease in revenue for the 2020 calendar year, as compared to a typical year. PARP revenue loss is based on calendar years.

How to Apply

In preparation for enrollment, producers should gather supporting documentation including:

- Schedule F (Form 1040); and
- *Profit or Loss from Farming* or similar tax documents for tax years 2018, 2019, 2020, 2021 and 2022 for ERP and for calendar years 2018, 2019 and 2020 for PARP.

Producers should also have, or be prepared to have, the following forms on file for both ERP and PARP program participation:

- Form AD-2047, Customer Data Worksheet (as applicable to the program participant);
- Form CCC-902, Farm Operating Plan for an individual or legal entity;
- Form CCC-901, Member Information for Legal Entities (if applicable); and
- Form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification.
- Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, as certain existing permanent and ad-hoc disaster programs provide increased benefits or reduced fees and premiums.

Most producers, especially those who have previously participated in FSA programs, will likely have these required forms on file. However, those who are uncertain or want to confirm should contact FSA at their local USDA Service Center.

Yes, FSA is stepping outside of the box.

FSA is a big proponent of agricultural producers having a say in the design, implementation and delivery of the programs that directly impact their livelihoods. We also believe that some of the most creative and useful ideas for program and process improvements come from the FSA employees who administer this assistance through our network of more than 2,100 county offices. We want to thank producers across the country, along with the entire FSA workforce, for not just thinking outside of the box but also providing their input to make sure that we can improve and enhance our programs and our approach to assistance to better and more efficiently serve all producers who need our help.

Please visit your local USDA Service Center for more information on ERP Phase Two, PARP and our full portfolio of conservation, prices support, safety-net, credit and disaster assistance programs.

Farmers Can Now Make 2023 Crop Year Elections, Enroll in Agriculture Risk Coverage and Price Loss Coverage Programs

Agricultural producers can now change election and enroll in the <u>Agriculture Risk Coverage (ARC) and Price Loss Coverage</u> programs for the 2023 crop year, two key safety net programs offered by the U.S. Department of Agriculture (USDA). Signup began Oct. 17, 2022, and producers have until March 15, 2023, to enroll in these two programs. Additionally, USDA's Farm Service Agency (FSA) has started issuing payments totaling more than \$255 million to producers with 2021 crops that have triggered payments through ARC or PLC.



2023 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 2023 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm and makes an election change for 2023, they must sign a new contract.

If producers do not submit their election by the March 15, 2023 deadline, their election remains the same as their 2022 election for crops on the farm. Farm owners cannot enroll in either program unless they have a share interest in the farm.

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 and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- <u>Gardner-farmdoc Payment Calculator</u>, a tool available through the University of Illinois allows producers to estimate payments for farms and counties for ARC-CO and PLC.
- ARC and PLC Decision Tool, a tool available through Texas A&M that allows producers to obtain basic information regarding the decision and factors that should be taken into consideration such as future commodity prices and historic yields to estimate payments for 2022.

2021 Payments and Contracts

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. This month, FSA processed payments to producers enrolled in 2021 ARC-CO, ARC-IC and PLC for covered commodities that triggered for the crop year.

For ARC-CO, producers can view the <u>2021</u> ARC-CO Benchmark Yields and Revenues online database, for payment rates applicable to their county and each covered commodity. For PLC, payments have triggered for rapeseed and peanuts.

For ARC-IC, producers should contact their local FSA office for additional information pertaining to 2021 payment information, which relies on producer-specific yields for the crop and farm to determine benchmark yields and actual year yields when calculating revenues.

By the Numbers

In 2021, producers signed nearly 1.8 million ARC or PLC contracts, and 251 million out of 273 million base acres were enrolled in the programs. For the 2022 crop year signed contracts surpassed 1.8 million, to be paid in the fall of 2023, if a payment triggers.

Since ARC and PLC were first authorized by the 2014 Farm Bill and reauthorized by the 2018 Farm Bill, these safety-net programs have paid out more than \$34.9 billion to producers of covered commodities.

Crop Insurance Considerations

ARC and PLC are part of a broader safety net provided by USDA, which 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 have the option of purchasing 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.

More Information

For more information on ARC and PLC, visit the <u>ARC and PLC webpage</u> or contact your local <u>USDA Service</u> Center.

Applying for FSA Direct Loans

FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain, or strengthen their farm or ranch. Direct loans are processed, approved and serviced by FSA loan officers.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance, and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact the Campbell County FSA office (307) 682-8843 ext.2 or the Platte County FSA Office (307) 322-4050 ext. 2 for more information or to apply for a direct farm ownership or operating loan.



CROOK & WESTON COUNTIES USDA Service Centers

Phone: 307-283-2870 (SUNDANCE) Phone: 307-746-2701 (NEWCASTLE)

FARM SERVICE AGENCY

Staci L. Green-Steiner
County Executive Director
Staci.steiner@usda.gov

NRCS

Keela Deaton

District Conservationist, Crook Co.

keela.deaton@usda.gov

Paul Eitel

District Conservationist, Weston Co.

Paul.eitel@usda.gov

FSA PROGRAM TECHNICIANS

Tiffany Volkman, Crook Co. Tiffany.volkman@usda.gov

Bailey Middleton, Crook Co. Bailey.middleton@usda.gov

Kevie Morrison, Crook Co. Kevie.morrison@usda.gov

Jennifer Jones, Weston Co. Jennifer.jones4@usda.gov

Kayla Pederson, Weston Co. Kayla.pederson@usda.gov NRCS STAFF

Jason Nehl, Natural Resource Specialist

Jason.nehl@usda.gov

Sherry Burr, Soil Con Tech sherry.burr@usda.gov

Jess Van Woerkom, Crook Co. Jessica.vanwoerkom@usda.gov

Tanner Jenks, Rangeland Mgmt. Specialist

Tanner.jenks@usda.gov

Austin Sommerville, Forester Austin.sommerville@usda.gov

Crook County Conservation District

Sarah Anderson
Anderson.ccnrd@gmail.com

Bridget Helms crookcountynrd@gmail.com

Jessica Halverson
Halverson.ccnrd@gmail.com

Weston County Conservation District

Caleb Carter

ccarter.wcnrd@gmail.com