## Farm Service Agency, Kansas State Office - May 15, 2025



## **Important Dates to Remember**

General and Continuous CRP Enrollment June 6, 2025

2025 Acreage Reporting July 15, 2025

ECAP August 15, 2025

## Offices Closed

Memorial Day May 26, 2025

June 19, 2025

Independence Day July 4, 2025

# Transitioning Expiring CRP Land to Beginning, Veteran or Socially Disadvantaged Farmers and Ranchers

Conservation Reserve Program (CRP) contract holders are encouraged to transition their CRP acres to beginning, veteran or socially disadvantaged farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental

payments to the landowner or operator for up to two additional years after the CRP contract expires.

CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants must agree to sell, have a contract to sell, or agree to lease long term (at least five years) land enrolled in an expiring CRP contract to a beginning, veteran, or socially disadvantaged farmer or rancher who is not a family member.

Beginning, veteran or social disadvantaged farmers and ranchers and CRP participants may enroll in TIP beginning two years before the expiration date of the CRP contract. The TIP application must be submitted prior to completing the lease or sale of the affected lands. New landowners or renters that return the land to production must use sustainable grazing or farming methods.

For more information, contact your local USDA Service Center

### **Annual Review of Payment Eligibility for New Crop Year**

Program payments to offset increased input costs, market decline

FSA and NRCS program applicants for benefits are required to submit a completed CCC-902 Farming Operation Plan and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information for FSA to determine the applicant's payment eligibility and establish the maximum payment limitation applicable to the program applicant.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the previous determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county office are updated, current, and correct. Participants are required to timely notify the county office of any changes in the farming operation that may affect the previous determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a new determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
- A land lease from cash rent to share rent
- A land lease from share rent to cash rent (subject to the cash rent tenant rule
- A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Certifications of average AGI are required to be filed annually for participation in an annual USDA program. For multi-year conservation contracts and NRCS easements, a certification of AGI must be filed prior to approval of the contract or easement and is applicable for the duration of the contract period.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

For more information, contact your local USDA Service Center

#### **USDA and FarmRaise Launch Online Disaster Assistance Decision Tools**

<u>FarmRaise</u>, in partnership with USDA's Farm Service Agency (FSA), launched their online, <u>educational hub</u> – the FarmRaise | FSA Educational Hub – comprised of videos, tools and interactive resources that enable USDA cooperators and agricultural producers to learn about and access major FSA programs.

#### **ELAP Decision Tool**

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish (ELAP) Decision Tool helps eligible producers impacted by qualifying natural disasters and other eligible causes of loss better understand program eligibility and application requirements, learn about record-keeping and supporting loss documentation requirements and track the steps needed before applying for program benefits. The document generated by the ELAP Decision Tool can be used to support the ELAP application process, but it is not a program application. Producers will need to complete and submit the ELAP Application to their local FSA county office. Upon request, applicants may be asked to provide additional supporting documentation per the program requirements.

Through use of the ELAP Decision Tool, producers can segment by loss type (honey bee, farm-raised fish and livestock). This enables easier navigation, as guided by the tool, to assistance available to meet specific disaster recovery needs. After entering the type of loss, identifying the loss condition and entering their inventory and loss information, producers are guided through a worksheet that helps identify required loss documentation — documentation (i.e., pictures, receipts, truck logs, etc.) that can be uploaded through the ELAP tool and sent directly to the producer's local FSA county office, or producers can provide a copy of the tool-generated worksheet summary document when they visit their local FSA county office to complete and submit the required ELAP application.

#### **LIP Decision Tool**

The Livestock Indemnity Program (LIP) Decision Tool, also available through the FarmRaise | FSA Educational Hub, assists livestock producers who suffered losses from eligible adverse weather events and other causes of loss as well as cooperators who are helping disaster-impacted livestock producers navigate available federal disaster assistance programs. The LIP Decision Tool gives producers guidance on what is needed to gather and submit required loss documentation, reducing the amount of time needed to complete applications and enabling FSA county office staff to deliver much-needed assistance faster. Using the LIP Decision Tool is not an application for benefits or a determination of eligibility.

#### Additional FarmRaise Resources

In addition to the new ELAP Decision Tool and the LIP Decision Tool, the FarmRaise | FSA Educational Hub offers several, easily navigated farm loan programs how-to videos designed to introduce producers to FSA's many farm loan programs options and guide them through the application process.

More FSA program resources and tools will continue to be added to the FarmRaise | FSA Educational Hub. Cooperators and agricultural producers are encouraged to visit the FarmRaise | FSA Educational Hub often to access all available educational resources.

## **USDA Farm Loan Program Changes Now in Effect**

The U.S. Department of Agriculture's (USDA) updates to the Farm Service Agency's (FSA) Farm Loan Programs are officially in effect. These changes, part of the Enhancing Program Access and Delivery for Farm Loans rule, are designed to increase financial flexibility for agricultural producers, allowing them to grow their operations, boost profitability, and build long-term savings.

These program updates reflect USDA's ongoing commitment to supporting the financial success and resilience of farmers and ranchers nationwide, offering critical tools to help borrowers manage their finances more effectively.

What the new rules mean for you:

- Low-interest installment set-aside program: Financially distressed borrowers can now defer up to one annual loan payment at a reduced interest rate. This simplified option helps ease financial pressure while keeping farming operations running smoothly.
- Flexible repayment terms: New repayment options give borrowers the ability to increase their cash flow and build working capital reserves, allowing for long-term financial planning that includes saving for retirement, education, and other future needs.
- Reduced collateral requirements: FSA has lowered the amount of additional loan security needed for direct farm loans, making it easier for borrowers to leverage their existing equity without putting their personal residence at risk.

These new rules provide more financial freedom to borrowers. By giving farmers and ranchers better tools to manage their operations, we're helping them build

long-term financial stability. It's all about making sure they can keep their land, grow their business, and invest in the future.

If you're an FSA borrower or considering applying for a loan, now is the time to take advantage of these new policies. We encourage you to reach out to your local FSA farm loan staff to ensure you fully understand the wide range of loan making and servicing options available to assist with starting, expanding, or maintaining your agricultural operation.

To conduct business with FSA, please contact your <u>local USDA Service Center</u>.

## **FSA Outlines MAL and LDP Policy**

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide you with interim financing after harvest to help you meet cash flow needs without having to sell your commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 202X MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

Commodity certificates are available to loan holders who have outstanding nonrecourse loans for wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan. MALs redeemed with commodity certificates are not subject to Adjusted Gross Income provisions.

To be considered eligible for an LDP, you must have form <u>CCC-633EZ</u>, <u>Page 1</u> on file at your local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Marketing loan gains (MLGs) and loan deficiency payments (LDPs) are no longer subject to payment limitations, actively engaged in farming and cash-rent tenant rules.

Adjusted Gross Income (AGI) provisions state that if your total applicable three-year average AGI exceeds \$900,000, then you're not eligible to receive an MLG or LDP. You must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

For more information, contact your local USDA Service Center.

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