

South Carolina FSA Newsletter for Farmers and Ranchers - July 2025

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A Note from State Executive Director Cody Simpson

Dear Fellow South Carolina Farmers,

I hope you enjoyed celebrating our Nation's 249th birthday! I know many of you are hard at work on your farming operations during this busy time of year, and I want to thank you for visiting your local FSA offices to report your crop acreage by July 15. We have reported nearly two million acres across our wonderful state.

Your Farm Service Agency (FSA) Team is hard at work putting our Farmers First. We have made it a priority to visit farmers across the state. As we learn more about the challenges many producers face daily, I am more determined to serve you and advocate for your way of life. We have renewed our focus on outreach with our

new and beginning farmers, veteran farmers and youth, and we welcome any opportunity to participate in events or meetings where we can speak with South Carolina producers.

Farmers are dedicated and resilient. We have overcome the Great Depression, droughts, hurricanes and floods, and continue to provide America with the food we eat and the clothes we wear. FSA remains committed to U.S. Secretary of Agriculture Brooke L. Rollins' mission to provide the much-needed supplemental disaster assistance programs to our producers. In July, Secretary Rollins announced that agricultural producers who suffered

eligible crop losses due to natural disasters in 2023 and 2024 can now apply for \$16 billion in assistance through the <u>Supplemental Disaster Relief Program (SDRP)</u>.

To expedite the implementation of SDRP, FSA is delivering assistance in two stages, Stage One and Stage Two. Stage One is open to producers with eligible crop losses that received assistance under crop insurance or the Noninsured Crop Disaster Assistance Program (NAP) during 2023 and 2024. Stage One sign up began in person at FSA county offices on July 10 and prefilled applications were mailed to producers on July 9. Stage Two signups for eligible shallow or uncovered losses are projected to start in the fall.

This announcement follows Secretary Rollins' comprehensive <u>plan</u> to deliver the total amount of Congressionally appropriated \$30 billion in disaster assistance to farmers and ranchers this year.

To date, USDA has issued more than \$7.8 billion in Emergency Commodity Assistance Program (ECAP)) payments to eligible producers. Additionally, USDA has provided over \$1 billion in emergency relief through the Emergency Livestock Relief Program to producers who suffered grazing losses due to drought or wildfires in calendar years 2023 and 2024. In South Carolina, we have issued a total of \$48 million for both programs.

Lastly, the nomination period for <u>FSA County Committee (COC) Elections</u> began on June 16 and runs until Aug. 1. Producers interested in serving on your FSA County Committee can locate your Local Administrative Area (LAA) through a geographic information system locator tool available at <u>fsa.usda.gov/elections</u> and determine if your LAA is up for election by contacting their local FSA office. <u>All nomination forms for the 2025 election must be postmarked or received in your local FSA office by Aug. 1, 2025.</u>

Thank you for serving the citizens of South Carolina. I look forward to visiting with you and your family soon.

Yours truly,

W.R. Cody Simpson, III FSA State Executive Director

Trump Administration Announces Expedited Congressionally Mandated Disaster Assistance for Farmers



U.S. Secretary of Agriculture Brooke L. Rollins announced today that agricultural producers who suffered eligible crop losses due to natural disasters in 2023 and 2024 can now apply for \$16 billion in assistance through the Supplemental Disaster Relief Program (SDRP).

To expedite the implementation of SDRP, USDA's Farm Service Agency (FSA) is delivering assistance in

two stages. This first stage is open to producers with eligible crop losses that received assistance under crop insurance or the Noninsured Crop Disaster Assistance Program during 2023 and 2024. Stage One sign up will start in person at FSA county offices on July

10 and prefilled applications are being mailed to producers today, July 9. SDRP Stage Two signups for eligible shallow or uncovered losses will begin in early fall.

SDRP Stage One

FSA is launching a streamlined, pre-filled application process for eligible crop, tree, and vine losses by leveraging existing Noninsured Crop Disaster Assistance Program (NAP) and Risk Management Agency (RMA) indemnified loss data. The pre-filled applications will be mailed on July 9, 2025.

Eligibility

Eligible losses must be the result of natural disasters occurring in calendar years 2023 and/or 2024. These disasters include wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought, and related conditions.

To qualify for drought related losses, the loss must have occurred in a county rated by the <u>U.S. Drought Monitor</u> as having a D2 (severe drought) for eight consecutive weeks, D3 (extreme drought), or greater intensity level during the applicable calendar year. Producers in Connecticut, Hawaii, Maine, and Massachusetts will not be eligible for SDRP program payments. Instead, these states chose to cover eligible crop, tree, bush, and vine losses through separate block grants. These block grants are funded through the \$220M provided for this purpose to eligible states in the American Relief Act.

How to Apply

To apply for SDRP, producers must submit the FSA-526, *Supplemental Disaster Relief Program (SDRP) Stage One Application*, in addition to having other forms on file with FSA.

SDRP Stage One Payment Calculation

Stage One payments are based on the SDRP adjusted NAP or Federal crop insurance coverage level the producer purchased for the crop. The net NAP or net federal crop insurance payments (NAP or crop insurance indemnities minus administrative fees and premiums) will be subtracted from the SDRP calculated payment amount.

For Stage One, the total SDRP payment to indemnified producers will not exceed 90% of the loss and an SDRP payment factor of 35% will be applied to all Stage One payments. If additional SDRP funds remain, FSA may issue a second payment.

Future Insurance Coverage Requirements

All producers who receive SDRP payments are required to purchase <u>federal crop</u> <u>insurance</u> or <u>NAP coverage</u> for the next two available crop years at the 60% coverage level or higher. Producers who fail to purchase crop insurance for the next two available crop years will be required to refund the SDRP payment, plus interest, to USDA. **SDRP Stage 2**

FSA will announce additional SDRP assistance for uncovered losses, including non-indemnified shallow losses and quality losses and how to apply later this fall.

Learn more by visiting <u>fsa.usda.gov/sdrp</u>.

This announcement follows Secretary Rollins' comprehensive <u>plan</u> to deliver the total amount of Congressionally appropriated \$30 billion in disaster assistance to farmers and ranchers this year. These programs will complement the forthcoming state block grants that USDA is working with 14 different states to develop.

To date, USDA has issued more than \$7.8 billion in <u>Emergency Commodity Assistance</u>
<u>Program (ECAP)</u> payments to eligible producers. Additionally, USDA has provided over \$1 billion in emergency relief through the <u>Emergency Livestock Relief Program</u> to producers who suffered grazing losses due to drought or wildfires in calendar years 2023 and 2024. USDA disaster assistance information can be found on farmers.gov, including the <u>Disaster at-a-Glance fact sheet</u>, <u>Loan Assistance Tool</u>, and the <u>FarmRaise</u> online FSA education hub. Payment details will be updated here weekly. For more information, contact your local <u>USDA Service Center</u>.

Producers and Landowners Can Now Enroll in USDA's Grassland Conservation Reserve Program

The U.S. Department of Agriculture (USDA) today announced that agricultural producers and private landowners can now enroll in the <u>Grassland Conservation Reserve Program</u> (Grassland CRP). The sign-up runs from today, July 14, to Aug. 8, 2025. Grassland CRP, offered by USDA's Farm Service Agency (FSA), is a voluntary working lands conservation program that enables participants to conserve grasslands while also

continuing most grazing and having practices.

CONSERVATION RESERVE PROGRAM

Grassland CRP emphasizes support for grazing operations, plant and animal biodiversity, and grasslands and land with shrubs and forbs under the greatest threat of conversion.

"Through the conservation of America's essential grasslands, Grassland CRP supports continued agricultural productivity while at the same time prioritizing private lands stewardship," said FSA Administrator Bill Beam. "By offering landowners the best of both worlds — economic viability and working lands preservation — Grassland CRP provisions support USDA's commitment to Farmers First."

CRP, USDA's flagship conservation program, celebrates its 40th anniversary this year. For four decades, CRP has provided financial and technical support to agricultural producers and landowners whose accepted acres are placed under contract for 10-15 years and who agree to voluntarily convert the land to beneficial vegetative cover to improve water quality, prevent soil erosion and support wildlife habitat. The American Relief Act, 2025, extended provisions for CRP through Sept. 30, 2025.

Currently, more than 25.8 million acres are enrolled in CRP, with nearly 9.7 million acres in Grassland CRP. On May 12, FSA opened General and Continuous CRP enrollment for 2025. FSA is currently reviewing submitted offers and will announce accepted offers at a later date. Due to the 27-million-acre statutory cap, only 1.8 million acres are available for all CRP enrollment this fiscal year.

Landowners and producers interested in Grassland CRP should contact their local <u>USDA Service Center</u> to learn more or apply for the program before the Aug. 8 deadline. FSA helps America's farmers, ranchers and forest landowners invest in, improve, protect and expand their agricultural operations through the delivery of agricultural programs for all Americans. FSA implements agricultural policy, administers credit and loan programs, and manages conservation, commodity, disaster recovery and marketing programs through a national network of state and county offices and locally elected county committees. For more information, visit fsa.usda.gov.

Gear Up for the 2025 Hurricane Season

Hurricane season is here, beginning June 1 and running through Nov. 30. Farmers, ranchers and forest landowners have been significantly impacted by hurricanes in recent years. USDA encourages agricultural producers to prepare for the 2025 season and get familiar with recovery resources.

USDA's <u>Farm Service Agency</u> (FSA), <u>Natural Resources</u> Conservation Service (NRCS), and Risk Management

Agency (RMA) offer a suite of disaster assistance programs to help you recover from the impacts of natural disasters.

Get Prepared

Making Farm Reconstitutions

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current fiscal year, farm combinations and farm divisions must be requested by **August 1 of the fiscal year** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all of the required signatures are on FSA-155 and all other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

- **Estate Method** the division of bases, allotments and quotas for a parent farm among heirs in settling an estate
- Designation of Landowner Method may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method, the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding
- **DCP Cropland Method** the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract
- **Default Method** the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

For questions on your farm reconstitution contact your local <u>USDA Service Center</u>.

Is the Noninsured Crop Disaster Assistance Program Right for You?

Farmers and ranchers rely on crop insurance to protect themselves from disasters and unforeseen events, but not all crops are insurable through the USDA's Risk Management Agency. The Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides producers another option to obtain coverage against disaster for these crops. NAP provides financial assistance to producers of non-insurable crops impacted by natural disasters that result in lower yields, crop losses, or prevents crop planting.

Commercially produced crops and agricultural commodities for which crop insurance is not available are generally eligible for NAP. Eligible crops include those grown specifically for food, fiber, livestock consumption, biofuel or biobased products, or value loss crops such as aquaculture, Christmas trees, ornamental nursery, and others. Contact your local FSA office to see which crops are eligible in your state and county.

Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind or hurricanes, earthquake and flood. These events must occur during the NAP policy coverage period, before or during harvest, and the disaster must directly affect the eligible crop. For guidance on causes of loss not listed, contact your local FSA county office.

Interested producers apply for NAP coverage and pay the applicable service fee at the FSA office where their farm records are maintained. These must be filed by the application closing date, which varies by crop. Contact your local FSA office to verify application closing dates and ensure coverage for eligible NAP crops.

At the time of application, each producer acknowledges they have received the <u>NAP Basic Provisions</u>, which describes NAP requirements for coverage. NAP participants must report

crop acreage shortly after planting and provide verifiable or reliable crop production records when required by FSA.

Producers are required to pay service fees which vary depending on the number of crops and number of counties your operation is located in. The NAP service fee is the lesser of \$325 per crop or \$825 per producer per administrative county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Premiums also apply when producers elect higher levels of coverage with a maximum premium of \$15,750 per person or legal entity.

A producer's certification on Form CCC-860 Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification may serve as an application for basic NAP coverage for all eligible crops beginning with crop year 2022. These producers will have all NAP-related service fees for basic coverage waived, in addition to a 50 percent premium reduction if higher levels of coverage are elected.

For more detailed information on NAP, download the <u>NAP Fact Sheet</u>. To get started with NAP, we recommend you contact your <u>local USDA service center</u>.

Livestock Producers in Charleston, Berkeley, Georgetown, and Horry Counties Are Eligible for Drought Recovery Assistance

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) in Charleston, Berkeley, Georgetown, and Horry is now accepting applications for the <u>Livestock Forage Disaster Program (LFP)</u> for grazing losses due to drought. The deadline to apply for 2025 LFP assistance is March 2, 2026.

LFP provides compensation to eligible livestock producers who suffered grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land. For LFP, qualifying drought intensity levels are determined using the <u>U.S. Drought Monitor</u>. Producers in Charleston and Berkeley Counties are eligible to apply for 2025 LFP benefits for grazing losses on full season improved mixed pasture, full season improved pasture, and native pasture. Georgetown and Horry Counties are eligible to apply for 2025 LFP benefits for grazing losses on full season improved mixed pasture, full season improved pasture, long season small grains, and native pasture. Visit the <u>FSA LFP</u> webpage for a full list of eligible counties and pasture types.

Livestock eligible for LFP include alpacas, beef cattle, bison, buffalo, beefalo, dairy cattle, deer, elk, emus, equine, goats, llamas, ostriches, reindeer, or sheep that have been or would have been grazing the eligible grazing land or pastureland. Recently, FSA updated LFP policy to expand program eligibility to include additional income producing grazing animals, like horses and ostrich, that contribute to the commercial viability of an agricultural operation.

Livestock used for hunting and consumption by the owner and horses and other animals that are used or intended to be used for racing and wagering remain ineligible.

As a reminder, producers who want to participate in many USDA programs including disaster assistance programs like LFP, must file timely acreage reports by filling out the

FSA-578 form to remain eligible for program benefits. Livestock producers interested in applying LFP should contact Charleston/Berkeley, Georgetown, and Horry County FSA at with any questions about the eligibility of specific livestock and forage crops.

More information in USDA disaster assistance is available at farmers.gov/recover.

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.

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

Ask the Expert: A Q&A on Youth Loans with Tina Mellinger

In this *Ask the Expert*, Tina Mellinger answers questions about Farm Service Agency (FSA) Youth Loans. Tina is a Farm Loan Manager in Ohio and has worked for FSA for 37 years. Her FSA farm loan team makes an average of around 50 loans each year, with around five of those being Youth Loans. Her entire career has been centered around loan-making. At the beginning of her career, she worked for Rural Development making home loans.

Tina grew up on a 50-cow dairy farm in southeastern Ohio. She earned an animal science and ag education degree from the Ohio State University.

To read the full blog, visit <u>farmers.gov/blog/ask-expert-qa-on-youth-loans-with-tina-mellinger</u>.

South Carolina Farm Service Agency

1927 Thurmond Mall Suite 100 Columbia, SC 29201

Phone: 803.806-3820

Website: https://www.fsa.usda.gov/state-offices/south-carolina

USDA Service Center Locator

State Executive Director

Cody Simpson

cody.simpson@usda.gov

Deputy State Executive Director

Kenn Jameson

kenn.jameson@usda.gov

Farm Programs Chief

Vacant

Farm Loan Programs Chief

Bud Sarvis

bud.sarvis@usda.gov