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USDA Reminds Specialty Crop Growers of Deadline to Apply for Assistance for 2023 On-Farm Food Safety Expenses

The U.S. Department of Agriculture (USDA) reminds specialty crop growers that assistance is available for producers who incur eligible on-farm food safety program expenses to obtain or renew a food safety certification through the Food Safety Certification for Specialty Crops (FSCSC) program. Producers can apply for assistance on their calendar year 2023 expenses through **Jan. 31, 2024**.

Program Details

FSCSC assists specialty crop operations that incurred eligible on-farm food safety certification and related expenses pertaining to obtaining or renewing a food safety certification in calendar year 2023. FSCSC covers a percentage of the specialty crop

operation's cost of obtaining or renewing its certification, as well as a portion of related expenses.

To be eligible for FSCSC, the applicant must be a specialty crop operation; meet the definition of a small business or very small business; and have paid eligible expenses related to the 2023 certification.

Specialty crop operations may receive assistance for the following costs:

- Developing a food safety plan for first-time food safety certification.
- Maintaining or updating an existing food safety plan.
- Food safety certification.
- Certification upload fees.
- Microbiological testing for products, soil amendments and water.

FSCSC payments are calculated separately for each category of eligible costs. A higher payment rate has been set for socially disadvantaged, limited resource, beginning and veteran farmers and ranchers. Details about the payment rates and limitations can be found at farmers.gov/food-safety.

Applying for Assistance

The FSCSC application period for 2023 closes Jan. 31, 2024. FSA will issue payments after the application period closes. If calculated payments exceed the amount of available funding, payments will be prorated.

Interested specialty crop producers can apply by completing the FSA-888, Food Safety Certification for Specialty Crops Program (FSCSC) application. The application, along with other required documents, can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means.

Specialty crop producers can also call 877-508-8364 to speak directly with a USDA employee ready to assist. Visit farmers.gov/food-safety for additional program details, eligibility information and forms needed to apply.

California Producers Encouraged to Apply for USDA's Continuous Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is now accepting applications for the Continuous Conservation Reserve Program (Continuous CRP). USDA's Farm Service Agency (FSA) encourages agricultural producers and landowners in California who are interested in conservation opportunities for their land in exchange for yearly rental payments to consider the enrollment options available through Continuous CRP, which

also includes the Conservation Reserve Enhancement Program (CREP) offered by FSA partners. Additionally, producers participating in CRP can now apply to re-enroll, if their contracts will expire this year.

To submit an offer, producers should contact the FSA at their local [USDA Service Center](#) by July 31, 2024, in order to have an offer effective by Oct. 1, 2024. To ensure enrollment acreages do not exceed the statutory cap, FSA will accept offers from producers on a first-come, first-served basis and will return offers for approval in batches throughout the year.

Additionally, producers with acres enrolled in Continuous CRP set to expire Sept. 30, 2024, can now offer acres for re-enrollment. A producer can both enroll new acres into Continuous CRP and re-enroll any acres expiring Sept.30, 2024.

FSA water quality practices, such as riparian buffers, prairie strips, grassed waterways, and wetlands, will receive an additional 20% incentive. Buffer practices have a positive impact on water quality. Additionally, the Climate-Smart Practice Incentive launched in 2021 is also available in the Continuous signup.

Farmers Can Now Enroll for the Agriculture Risk Coverage and Price Loss Coverage Programs the 2024 Crop Year

The U.S. Department of Agriculture (USDA) today announced that agricultural producers can now enroll in the Farm Service Agency's (FSA) [Agriculture Risk Coverage \(ARC\) and Price Loss Coverage \(PLC\)](#) programs for the 2024 crop year. Producers can enroll and make election changes for the 2024 crop year starting Dec. 18, 2023. The deadline to complete enrollment and any election change is **March 15, 2024**.

On Nov. 16, 2023, President Biden signed into law H.R. 6363, the *Further Continuing Appropriations and Other Extensions Act, 2024* (Pub. L. 118-22), which extended the *Agriculture Improvement Act of 2018* (Pub. L. 115-334), more commonly known as the 2018 Farm Bill, through September 30, 2024. This extension allows authorized programs, including ARC and PLC, to continue operating.

2024 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 2024 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm it will continue for 2024 unless an election change is made.

If producers do not submit their election revision by the March 15, 2024, deadline, their election remains the same as their 2023 election for commodities on the farm. Farm owners cannot enroll in either program unless they have a share interest in the cropland.

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

2022 Crop Year Payments

This fall, FSA issued payments totaling more than \$267 million to agricultural producers who enrolled in the 2022 ARC-CO option and the ARC ARC-IC option for covered commodities that triggered a payment. Payments through the PLC option did not trigger for the 2022 crop year.

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. These payments help mitigate fluctuations in either revenue or prices for certain crops. Payments for crops that may trigger for the 2023 crop year will be issued in the fall of 2024.

Crop Insurance Considerations

ARC and PLC are part of a broader USDA safety net that 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 can purchase 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.

Web-Based Decision Tools

Many universities offer web-based decision tools to help producers make informed, educated decisions using crop data specific to their respective farming operations. Producers are encouraged to use the tool of their choice to support their ARC and PLC elections.

More Information

For more information on ARC and PLC, producers can visit the [ARC and PLC webpage](#) or contact their local [USDA Service Center](#). Producers can also make elections and complete enrollment [online with level 2 eAuth](#).

USDA to Provide More Than \$3 Billion to Commodity and Specialty Crop Producers Impacted by 2022 Natural Disasters

Emergency Relief Program (ERP) 2022

The U. S Department of Agriculture (USDA) will provide more than \$3 billion to commodity and specialty crop producers impacted by natural disaster events in 2022. Eligible impacted producers can apply for financial assistance through the [Emergency Relief Program \(ERP\) 2022](#). The program will help offset the financial impacts of crop yield and value losses from qualifying disasters occurring in 2022.

Background

On Dec. 29, 2022, President Biden signed into law the *Disaster Relief Supplemental Appropriations Act, 2023 (P.L. 117-328)* that provides about \$3.7 billion in financial assistance for agricultural producers impacted by eligible natural disasters that occurred in calendar year 2022.

ERP 2022 covers losses to crops, trees, bushes and vines due to qualifying, calendar year 2022 natural disaster events including wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought and related conditions.

ERP 2022 program benefits will be delivered to eligible producers through a two-track process. FSA intends to make both tracks available to producers at the same time. This two-track approach enables USDA to:

- Streamline the application process.
- Reduce the paperwork burden on producers.
- Proactively include provisions for underserved producers who have not been well served by past emergency relief efforts.
- Encourage producer participation in existing risk management programs to mitigate the impacts of future severe weather events.

It's important to note that disaster-impacted producers may be eligible for ERP 2022 assistance under one or both tracks. To avoid duplicative benefits, if a producer applies for both tracks, the Track 2 payment calculation will take into account any payments received through Track 1.

ERP 2022 Application Process – Track 1

ERP 2022 Track 1 leverages existing federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) data as the basis for calculating payments for eligible crop producers who received indemnities through these risk management programs. Although FSA is sending pre-filled ERP 2022 Track 1 application forms to producers who have crop insurance and NAP data already on file with USDA, producers indemnified for losses

resulting from 2022 natural disasters do not have to wait to receive the application before requesting ERP 2022 assistance. Effective Oct. 31, 2023, producers can apply for ERP 2022 benefits whether they have received the pre-filled application or not. Receipt of a pre-filled application is not confirmation that a producer is eligible to receive an ERP 2022 Track 1 payment.

USDA estimates that ERP Track 1 benefits will reach more than 206,000 producers who received indemnities for losses covered by federal crop insurance and more than 4,500 producers who obtained NAP coverage for the 2022 crop year.

ERP 2022 Application Process – Track 2

Track 2 is a revenue-based certification program designed to assist eligible producers who suffered an eligible decrease in revenue resulting from 2022 calendar year disaster events when compared with revenue in a benchmark year using revenue information that is readily available from most tax records. In cases where revenue does not reasonably reflect a normal year's revenue, Track 2 provides an alternative method for establishing revenue. Likewise, Track 2 affords producers of crops that are used within an operation and do not generate revenue from the sale of the crop a method for establishing revenue for the purpose of applying for ERP 2022 benefits. Producers are not required to submit tax records to FSA unless requested by the County Committee if required for an FSA compliance spot check.

Although not required when applying for ERP 2022 Track 2, applicants might find the following documents useful to the process:

- Schedule F (Form 1040)
- *Profit or Loss from Farming* or similar tax documents for tax years 2018, 2019, 2022 and 2023.

Track 2 targets gaps in emergency relief assistance for eligible producers whose eligible losses were not covered by crop insurance or NAP including revenue losses too small (shallow loss) to be covered by crop insurance.

Producers interested in applying for ERP 2022 Track 2, should contact their local FSA county office. Additional reference resources can be found on FSA's [emergency relief website](#).

Additional Required Forms

For both ERP 2022 tracks, all producers must have certain required forms on file with FSA within 60 days of the ERP 2022 deadline. Producers can apply for ERP 2022 starting Oct. 31, 2023. The application deadline has not yet been determined and will be announced at a later date. If not already on file, producers can update, complete and submit required forms to FSA at any time.

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Required forms:

- Form AD-2047, *Customer Data Worksheet*.
- Form CCC-902, *Farm Operating Plan* for an individual or legal entity.
- Form CCC-901, *Member Information for Legal Entities* (if applicable).
- Form FSA-510, *Request for an Exception to the \$125,000 Payment Limitation for Certain Programs* (if applicable).
- Form CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, if applicable, for the 2022 program year.
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 *Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification*) for the ERP producer and applicable affiliates.

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 the status of their forms can contact their local FSA county office.

Future Insurance Coverage Requirements

All producers who receive ERP 2022 payments must purchase crop insurance, or NAP coverage where crop insurance is not available, in the next two available crop years as determined by the Secretary. Purchased coverage must be at the 60/100 coverage level or higher for insured crops or at the catastrophic coverage level or higher for NAP crops.

More Information

ERP 2022 eligibility details and payment calculation factor tables are available on the [emergency relief website](#), in the [ERP Track 1](#) and [ERP Track 2](#) fact sheets and through your local [FSA county office](#).

Tax Resources for USDA Program Participants

Navigating filing taxes can be challenging, especially if you are new to running a farm business, participating in disaster programs for first time, or trying to forecast the farm's tax bill. Receiving funds from USDA through activities such as a conservation program payment or a disaster program is considered farm income that includes a tax liability for farm businesses. USDA technical assistance is free and creates no tax implications.

At the end of the tax year, USDA issues tax forms 1098 and 1099 forms for farm loans, conservation programs administered by the Farm Service Agency and Natural Resource Conservation Service including the Conservation Reserve Program and Environmental Quality Incentives Program, crop disaster payments, and the Market Facilitation Program. USDA also issues tax forms for recipients of assistance for distressed borrowers, including through Section 22006 of the Inflation Reduction Act.

If you have received tax forms related to your operation, USDA cannot and does not provide tax advice but wants you to be aware of options that may help manage your tax liability. USDA has partnered with experts to provide resources to help you make the right tax decisions for your operation. Monthly webinars are available for registration and to view on demand at <https://www.farmers.gov/working-with-us/taxes>.

The [Tax Estimator Tool](#) is an interactive spreadsheet that producers can download to estimate tax liability. It is for informational and educational purposes and should not be considered tax or legal advice. Producers may need to work with a tax professional to determine the correct information to be entered in the Tax Estimator Tool.

We encourage you to visit <https://www.farmers.gov/working-with-us/taxes> for more information on how to find and work with a tax preparer as well as instructions on how to request copies of USDA documents and links to other helpful tax resources.

Community Alliance with Family Farmers Offers Small Farm Tech Hub



How can technology help expand market opportunities and increase business efficiencies for small farms?

Community Alliance with Family Farmers (CAFF) Tech Hub is here to Help!

Free Consultation services available to small scale farmers, food hubs and farmers markets operating out of California.

Request an appointment at www.caff.org/techsupport

For any questions email Techhub@caff.org or visit www.caff.org/techhub

A Q&A on Choosing a Tax Professional

If you participate in USDA programs, it's time to start preparing to file your taxes. In this Ask the Expert, Dr. Tamara Cushing answers questions about choosing a tax professional. Dr. Cushing is an Extension Forest Business Specialist from the University of Florida who works to educate landowners, foresters and tax professionals about the economics of growing trees, tax interactions with forestry and landowner succession.

What Qualifies Someone to Complete Your Tax Return?

- Here are some qualifications to look for: A degree in accounting and possibly in taxation; maybe a law degree.
- Certification by a state licensing body or the Internal Revenue Service (IRS). This may include CPA, Licensed Tax Consultant (LTC), Licensed Tax Preparer (LTP), Enrolled Agent (EA), and tax attorney. Also, some Certified Financial Planners (CFP) can provide tax services. Some states require paid preparers to have

specific qualifications to complete state tax returns and some don't. Qualified, licensed and or certified tax preparers may be found through various locations some of which will be discussed later in this Q&A.

- Some preparers may not hold educational or other professional credentials but are IRS-authorized. These preparers will have a PTIN (Preparer tax identification number) and complete continuing education courses required by the IRS and or state regulatory agency.
- All preparers should have a PTIN.

To read the full blog visit <https://www.farmers.gov/blog/ask-the-expert-qa-on-choosing-tax-professional-with-tamara-cushing>.

USDA Microloans Help Farmers Purchase Farmland and Improve Property

Farmers can use USDA farm ownership microloans to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013.

Microloans can also help with farmland and building purchases and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program, contact your local County USDA Service Center or visit fsa.usda.gov/microloans.

Free Farm Manager Apprenticeship Training

Farmers, are you searching for your future manager or supervisor? Whether you have a current employee who could use some additional training, or are seeking to hire a new team member, The Beginning Farm and Ranch Management Apprenticeship provides a structured pathway for aspiring farm managers to develop the knowledge and skills they need to be successful on your farm. The Center for Land-Based Learning covers all tuition for coursework and provides support for farmers and apprentices. To learn more about training an apprentice, visit <https://landbasedlearning.org/apprentice-farmer-mentor>

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