

News & Updates from the Iowa Farm Service Agency - January 24, 2023

In This Issue:

- From the Desk of Matt Russell, State Executive Director
- <u>USDA Announces Signup for 2023 Assistance for On-Farm Food Safety Expenses for Specialty Crop Growers</u>
- USDA Microloans Help Farmers Purchase Farmland and Improve Property
- 2023 Dairy Margin Coverage Deadline Extended Jan. 31, 2023, Last Day to Enroll
- <u>USDA Releases Nationwide Farmer, Rancher and Forest Manager Prospective</u>
 Customer Survey
- USDA Expands Eligibility, Enhances Benefits for Key Disaster Programs
- Iowa Chosen for Farmers.gov Dashboard Pilot: Farmer-Focused Data and Information
- Guide Available for Underserved Farmers, Ranchers
- USDA Offers Options for Signing and Sharing Documents Online

From the Desk of Matt Russell, State Executive Director

January is a month focused on time. Time to plan for the year ahead. Time to go to meetings and conferences. Time for taxes. I'm looking at my calendar and getting really excited about what's coming for lowa agriculture, for lowa FSA, and for my own farm in 2023.

I'm looking forward to being with farm organizations in the coming weeks. I got to spend some time last month with the Iowa Cattlemen's Association, the Iowa Farmers Union, the Iowa Farm Bureau, and the Iowa Turkey Federation. I spent a couple of days with the Practical Farmers of Iowa last weekend. I'm headed to the Cow Calf Conference in Ottumwa this Saturday, the Iowa Soybean Association next week. Amanda Hartman our Outreach Coordinator, will be at the Iowa Ag Expo next week with our partners from RMA, and the Iowa Specialty Producers Conference in February.

At home we're working to get some beef shares delivered to customers so they'll have full freezers in 2023 and of course making plans for what we'll plant and how we'll manage our livestock in the coming year. We're also making plans to get into the Marion County FSA Office to enroll in another year of the commodity program and make an ARC/PLC selection. We're thankful the program hasn't paid on corn and soybeans for many years. It's a safety net program that only triggers when we have challenges with production or prices. And it can be easy to forget about the program. But now is the time to get into your county office to enroll and make a selection especially considering we are in the last year of the 2018 Farm Bill. We know from past experience that sometimes the next Farm Bill will use your last enrollment from the previous Farm Bill for new program benefits.

Farmers have until March 15 to get signed up. Here's a great resource from Iowa State University Extension to help you better understand your options and what's at stake for this year's selection. https://www.extension.iastate.edu/agdm/info/farmbill.html You can also get more information below as well as information about other programs and their sign up and deadlines.

It's also time to welcome newly elected County Committee Members. I'm traveling around the state to meet with many of these members as our District Directors host County Committee training. I look forward to meeting new members and members who continue to serve out their existing terms.

Finally, 2023 might be the right time for you or someone you know to join the USDA team in lowa. With continued commitments from congress and the Biden-Harris Administration, our USDA programs through FSA, Natural Resources Conservation Service, and Rural Development continue to deliver historic investments in rural America. Take minute to look at our openings at lowa FSA and search for other positions at USDA in lowa. We'd love to see you or someone you know on the team.

On behalf of the entire Iowa FSA family, I wish you a healthy and productive 2023.

Matt

Now is the Time! 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</u> (ARC) and <u>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:

- Gardner-farmdoc Payment Calculator, 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.

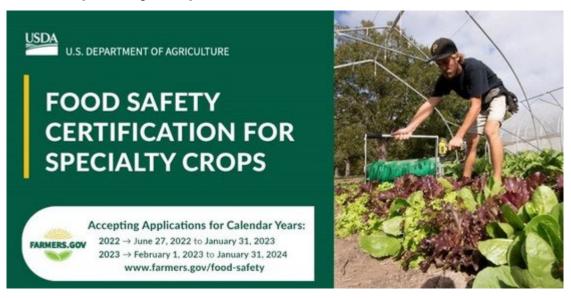
Unlike SCO, the Enhanced Coverage Option (ECO) is unaffected by an ARC election. Producers may add ECO regardless of the farm program election.

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 USDA Service Center.

USDA Announces Signup for 2023 Assistance for On-Farm Food Safety Expenses for Specialty Crop Growers



The U.S. Department of Agriculture (USDA) reminds specialty crop producers of available assistance to help cover certain costs of complying with regulatory and market-driven food safety certification requirements. Applications for the Food Safety Certification for Specialty Crops (FSCSC) program for eligible 2022 costs are due by Jan. 31, 2023. USDA's Farm Service Agency (FSA) will accept applications for 2023 costs from Feb. 1, 2023, to Jan. 31, 2024.

FSA is making available up to \$200 million through the FSCSC program, which is part of USDA's broader effort to transform the food system to create a more level playing field for small-scale agricultural operations and a more balanced, equitable economy for everyone working in food and agriculture.

USDA first announced and opened this program for signup in 2022, delivering critical assistance for specialty crop operations, with an emphasis on equity in program delivery while building on lessons learned from the COVID-19 pandemic and supply chain disruptions.

Program Details

FSCSC assists specialty crop operations that incurred eligible on-farm food safety certification and expenses related to obtaining or renewing a food safety certification in calendar years 2022 and 2023 for certifications issued on or after June 21, 2022. For each year, FSCSC covers a percentage of the specialty crop operation's eligible costs of obtaining or renewing their certification, as well as a portion of their 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.
- Have paid eligible expenses related to 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.

FSA calculates FSCSC payments for each category of eligible costs. FSA set a higher payment rate for underserved farmers and ranchers, which includes socially disadvantaged, limited resource, beginning and veteran producers who have a CCC-860 on file with FSA.

FSA will issue payments at the time of application approval for 2022 and after the application period ends for 2023. The 2023 application period opens Feb. 1, 2023, and closes Jan. 31, 2024. If calculated payments exceed the amount of available funding, payments will be prorated.

Applying for Assistance

Interested specialty crop producers can apply by completing the application, <u>FSA-888</u>. 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. Producers can visit <u>farmers.gov/service-locator</u> to find their local FSA office. Specialty crop producers can also call 877-508-8364 to speak directly with a USDA employee ready to assist.

Producers can visit <u>farmers.gov/food-safety</u> for additional program details, eligibility information and forms needed to apply.

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 USDA Service Center or visit <u>fsa.usda.gov/microloans</u>.

2023 Dairy Margin Coverage Deadline Extended – Jan. 31, 2023, Last Day to Enroll

The U.S. Department of Agriculture (USDA) has extended the deadline for producers to enroll in <u>Dairy Margin Coverage (DMC)</u> and <u>Supplemental Dairy Margin Coverage (SDMC)</u> for program year 2023 to Jan. 31, 2023.

DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer.

Early projections indicate DMC payments are likely to trigger for the first eight months in 2023. Markets fluctuate, sometimes at a moment's notice and sometimes with no warning at all, so now's the time to ensure your operation is covered. Please don't let this second chance slide.

Nearly 18,000 operations that enrolled in DMC for 2022 have received margin payments for August and September for a total of \$76.3 million. At \$0.15 per hundredweight for \$9.50 coverage, risk coverage through DMC is a relatively inexpensive investment.

DMC offers different levels of coverage, even an option that is free to producers, aside from a \$100 administrative fee. Limited resource, beginning, socially disadvantaged, and military veteran farmers and ranchers are exempt from paying the administrative fee, if requested. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the online dairy decision tool.

Supplemental DMC

Last year, USDA introduced Supplemental DMC, which provided \$42.8 million in payments to better help small- and mid-sized dairy operations that had increased production over the years but were not able to enroll the additional production. Supplemental DMC is also available for 2023. The enrollment period for 2023 Supplemental DMC is also extended to Jan. 31, 2023.

Supplemental DMC coverage is applicable to calendar years 2021, 2022 and 2023. Eligible dairy operations with less than 5 million pounds of established production history may enroll supplemental pounds.

For producers who enrolled in Supplemental DMC in 2022, the supplemental coverage will automatically be added to the 2023 DMC contract that previously established a supplemental production history.

Producers who did not enroll in Supplemental DMC in 2022 can do so now. Producers should complete their Supplemental DMC enrollment before enrolling in 2023 DMC. To enroll, producers will need to provide their 2019 actual milk marketings, which FSA uses to determine established production history.

DMC Payments

FSA will continue to calculate DMC payments using updated feed and premium hay costs, making the program more reflective of actual dairy producer expenses. These updated feed calculations use 100% premium alfalfa hay rather than 50%.

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

USDA touches the lives of all Americans each day in so many positive ways. Under the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <u>usda.gov</u>.

USDA Releases Nationwide Farmer, Rancher and Forest Manager Prospective Customer Survey

You can now take a nationwide survey to help the USDA improve and increase access to its programs and services for America's farmers, ranchers, and forest managers. The survey includes new and existing customers. USDA encourages all agricultural producers to take the survey, especially those who have not worked with USDA previously. The survey gathers feedback on programs and services available through USDA's Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA).

The survey is available online at <u>farmers.gov/survey</u>, and you should complete it by March 31, 2023. Stakeholder organizations are also encouraged to share the survey link through their networks. The survey is available in 14 different languages including Arabic, Chinese, English, French, Hmong, Korean, Navajo, Punjabi, Somali, Spanish, Tagalog, Thai, Urdu and Vietnamese.

In addition to the online survey, the FPAC Business Center, which is administering the survey, will also mail 11,000 printed surveys to various local state stakeholder organizations and farmers markets.

USDA Expands Eligibility, Enhances Benefits for Key Disaster Programs

The U.S. Department of Agriculture (USDA) made updates to several conservation, livestock and crop disaster assistance programs to give more farmers, ranchers, and tribes the opportunity to apply for and access programs that support recovery following natural disasters. Specifically, USDA's Farm Service Agency (FSA) expanded eligibility and enhanced available benefits for a suite of its programs. These updates will provide critical assistance to producers who need to rebuild and recover after suffering catastrophic losses of production and infrastructure due to natural disasters.

FSA has updated the following programs: The Emergency Conservation Program (ECP), the Emergency Forest Restoration Program (EFRP), the Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish (ELAP), the Livestock Forage Disaster Program (LFP), the Livestock Indemnity Program (LIP) and the Noninsured Crop Disaster Assistance Program (NAP).

Conservation Disaster Assistance Updates

FSA updated ECP to:

- Allow producers who lease Federally owned or managed lands, including tribal trust land, as well as State land the opportunity to participate.
- Provide advance payments, up to 25% of the cost, for all ECP practices before the
 restoration is carried out, an option that was previously only available for fence repair or
 replacement. The cost-share payment must be spent within 60 days.

Additionally, Congress also authorized the Federal government to pay 100% of the ECP and EFRP cost for damage associated with the Hermit's Peak/Calf Canyon Fire in New Mexico. This fire burned over 340,000 acres from April 2022 to June 2022 and was the largest wildfire in recorded history in New Mexico. ECP and EFRP cost-share assistance is typically capped at 75%. This policy change for 100% cost-share applies only to those locations impacted by the Hermit's Peak/Calf Canyon Fire.

ECP and EFRP provide financial and technical assistance to restore conservation practices like fencing, damaged farmland or forests.

Livestock Disaster Assistance Updates

FSA also expanded eligible livestock under ELAP, LFP and LIP. Specifically, horses maintained on eligible grazing land are eligible for ELAP, LFP and LIP. Many family farms and ranches use their forage to raise horses to augment their other agriculture endeavors. FSA recognizes that animals maintained in a commercial agriculture operation, add value to the operation and could be available for marketing from the farm. FSA regulations have been updated to include these animals as eligible livestock

Horses and other animals that are used or intended to be used for racing and wagering remain ineligible.

Ostriches are also now eligible for LFP and ELAP. FSA is making this change because ostriches satisfy more than 50% of their net energy requirement through the consumption of growing forage grasses and legumes and are therefore considered "grazing animals".

This change for ostriches is effective for the 2022 program year for both LFP and ELAP requires a notice of loss to be filed with FSA within 30 days of when the loss is first apparent. Because this deadline may have passed for 2022, FSA is extending the deadline for filing notices of loss through March 31, 2023.

LIP and ELAP reimburses producers for a portion of the value of livestock, poultry and other animals that died as a result of a qualifying natural disaster event or for loss of grazing acres, feed and forage. LFP provides benefits for grazing losses due to drought and eligible wildfires on federally managed lands.

Noninsured Crop Disaster Assistance

NAP provides financial assistance to producers of non-insurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters. Basic NAP coverage is equivalent to the catastrophic level risk protection plan of insurance coverage, which is based on the amount of loss that exceeds 50% of expected production at 55% of the average market price for the crop.

Previously, to be eligible for NAP coverage, a producer had to submit an application (Form CCC-471) for NAP coverage on or before the application closing date. For 2022, if a producer has a *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification* (Form CCC-860) on file with FSA, it will serve as an application for basic coverage for all eligible crops having a 2022 application closing date and all NAP-related service fees for basic coverage will be waived for these producers.

FSA will notify all eligible producers who already have the CCC-860 certification form on file of their eligibility for NAP basic coverage for 2022. To potentially receive NAP assistance, producers who suffered losses due to natural disasters in 2022 should file an acreage report as well as a notice of loss with the FSA at their local Service Center.

Producers who are interested in obtaining NAP coverage for 2023 and subsequent years should also contact their local FSA county office for information on eligibility, coverage options and applying for coverage.

Reporting Losses

Producers impacted by a natural disaster should report losses and damages and file an application with their <u>FSA county office</u>. Timelines for reporting losses and applying for payments differ by program.

For LIP and ELAP, producers will need to file a Notice of Loss for livestock and grazing or feed losses within 30 days and honeybee losses within 15 days. For LFP, producers must provide a completed application for payment and required supporting documentation to their FSA office within 30 calendar days after the end of the calendar year in which the grazing loss occurred.

For NAP, producers should contact their local FSA office for guidelines on submitting a notice of loss and filing an acreage certification.

More Information

The updates to these programs build on other Biden-Harris administration efforts to improve disaster assistance programs, including additional flexibility in obtaining Noninsured Crop

Disaster Assistance Program (NAP) basic coverage for socially disadvantaged, beginning, limited resource and veteran farmers and ranchers.

Previous enhancement to the ELAP provide program benefits to producers of fish raised for food and other aquaculture species as well as cover above normal expenses for transporting livestock to forage and grazing acres and transport feed to livestock impacted by qualifying drought. And earlier updates to the LIP payment rates better reflect the true market value of non-adult beef, beefalo, bison and dairy animals.

Recently, FSA announced it would begin accepting applications for the Emergency Relief Program (ERP) Phase Two and the new Pandemic Assistance Revenue Program (PARP) on Jan. 23, 2023, through June 2, 2023. ERP Phase Two is designed to fill gaps in the delivery of program benefits not covered in ERP Phase One and improves equity in program delivery to underserved producers. PARP will help address gaps in previous pandemic assistance, which was targeted at price loss or lack of market access, rather than overall revenue losses. Learn more in the Jan. 9, 2023 news release.

Additional Resources

On <u>farmers.gov</u>, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster Assistance-at-a-Glance</u> fact sheet, and <u>Farm Loan Discovery Tool</u> can help producers and landowners determine program or loan options. For assistance with a crop insurance claim, producers and landowners should contact their <u>crop insurance agent</u>. For FSA and Natural Resources Conservation Service programs, contact the local <u>USDA Service Center</u>.

Iowa Chosen for Farmers.gov Dashboard Pilot: Farmer-Focused Data and Information

We created the <u>farmers.gov dashboard</u> as a single place where you can easily access your local state and/or county-specific agriculture-related data and information from USDA and other government agencies. This material can help you make better-informed and data-driven business decisions for your farm operation. We also took some of the more complex data sets and merged them into easy to read charts and graphs to help you quickly find information that matters to you.

The dashboard is currently only available to lowa, but we are working to expand the dashboard to other states and add relevant commodities. We will announce when new dashboards are available to help you do more online with farmers.gov.

Full blog post

Guide Available for Underserved Farmers, Ranchers

A multi-agency guide for USDA assistance for underserved farmers and ranchers is now available. If you are a farmer or rancher and are a minority, woman, veteran, beginning, or limited resource producer, you can use this booklet to learn about assistance and targeted opportunities available to you. This includes programs offered through the Farm Service

Agency, Natural Resources Conservation Service, and Risk Management Agency. <u>Download the guide here</u>. The guide is also available in Spanish, Hmong, Korean, Vietnamese, Thai and Chinese on farmers.gov/translations.

USDA Offers Options for Signing and Sharing Documents Online

Farmers and ranchers working with USDA's Farm Service Agency or Natural Resources Conservation Service can now sign and share documents online in just a few clicks. By using Box or OneSpan, producers can digitally complete business transactions without leaving their homes or agricultural operations. Both services are free, secure, and available for multiple FSA and NRCS programs.

Box is a secure, cloud-based site where FSA or NRCS documents can be managed and shared. Producers who choose to use Box can create a username and password to access their secure Box account, where documents can be downloaded, printed, manually signed, scanned, uploaded, and shared digitally with Service Center staff. This service is available to any FSA or NRCS customer with access to a mobile device or computer with printer connectivity.

OneSpan is a secure eSignature solution for FSA and NRCS customers. Like Box, no software downloads or eAuthentication is required for OneSpan. Instead, producers interested in eSignature through OneSpan can confirm their identity through two-factor authentication using a verification code sent to their mobile device or a personalized question and answer. Once identity is confirmed, documents can be reviewed and e-signed through OneSpan via the producer's personal email address. Signed documents immediately become available to the appropriate Service Center staff.

Box and OneSpan are both optional services for customers interested in improved efficiency in signing and sharing documents with USDA, and they do not replace existing systems using eAuthentication for digital signature. Instead, these tools provide additional digital options for producers to use when conducting business with FSA or NRCS.

USDA Service Center staff are available to help producers get started with Box and OneSpan through a few simple steps. Please visit <u>farmers.gov/service-locator</u> to find your local office and let Service Center staff know you're interested in signing and sharing documents through these new features. In most cases, one quick phone call will be all that is needed to initiate the process.

Visit <u>farmers.gov/mydocs</u> to learn more about Box and OneSpan, steps for getting started, and additional resources for conducting business with USDA online.

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