

News & Updates from the Iowa Farm Service Agency - September 28, 2023

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## From the Desk of Matt Russell, State Executive Director

As harvest gets fully underway, we're seeing a lot of variability around the state and even within fields. We're likely going to see variability for farm income this year among lowa farmers as well. That's why our team is here at your local FSA service center. Our staff stand ready to serve farmers and those who want to become farmers in good times and in challenging times.

I'm proud to lead this team as we advance the Biden-Harris Administration's Investing in America agenda. Team USDA joins other agencies working to grow the American economy from the middle out and bottom up by rebuilding our nation's infrastructure, creating good-paying jobs, and building a clean energy economy to tackle the climate crisis and make our communities more resilient. Iowa farming families play an enormous role in advancing all of those goals and more to produce what's needed in Iowa, across the United States, and around the world.

As we	e anticipate	e a new fa	arm bill and a	a new fiscal	∣year, Team	Iowa FSA is	s ready to se	erve all farmers	in every corr	ner of the
state.										



## USDA to Begin Issuing \$1.75 Billion to Agricultural Producers Through Critical Emergency Relief Programs

The U.S. Department of Agriculture (USDA) announced this week that it will begin issuing more than \$1.75 billion in emergency relief payments to eligible farmers and livestock producers. These much-needed payments are helping farming and ranching operations recover following natural disasters in 2020, 2021 and 2022.

### **Emergency Livestock Relief Program**

This week, FSA will issue more than \$581 million in 2021 and 2022 drought and wildfire emergency relief to eligible ranchers.

FSA is closing out the Emergency Livestock Relief Program (ELRP) for losses suffered in 2021. ELRP Phase Two payments are estimated at \$115.7 million. Ranchers who lost grazing acres due to drought and wildfire and received assistance through ELRP Phase One will soon receive an additional payment through ELRP Phase Two. This second payment will be equal to 20% of the 2021 gross ELRP Phase One payment. ELRP Phase Two payments to producers will be automatic with no application required. In April 2022, FSA staff processed more than 100,000 payments through ELRP Phase One and paid eligible ranchers more than \$600 million for 2021 grazing losses.

In 2022, ranchers continued to experience significant loss of grazing acres due to drought and wildfire. To help mitigate these losses, eligible ranchers will receive ELRP disaster assistance payments for increases in supplemental feed costs. To expedite payments, determine producer eligibility and calculate the ELRP 2022 payment, FSA is using livestock inventories and drought-affected forage acreage or restricted animal units and grazing days due to wildfire already reported to FSA by ranchers when they submitted their Livestock Forage Disaster Program applications. ELRP payments for 2022 losses are estimated at \$465.4 million and will be automatic with no application required.

### **Emergency Relief Program Phase Two**

FSA is closing out Phase Two of the <u>Emergency Relief Program</u> (ERP) this week through the delivery of more than \$1.17 billion in crop disaster assistance payments to producers of eligible crops who suffered losses, measured through decreases in revenue, due to qualifying natural disaster events that occurred in calendar years 2020 and 2021. ERP Phase Two was intended primarily for producers of crops that were not covered by federal crop insurance or FSA's Noninsured Crop Disaster Assistance Program (NAP). Previously, through ERP Phase one, FSA staff processed more than 300,000 applications and paid an estimated 217,000 eligible producers more than \$7.4 billion.

#### **More Information**

These programs represent a few of FSA's extensive commodity, conservation, credit, disaster recovery and safety-net programs. By the close of the fiscal year on Sept. 30, for all farm and farm loan programs — including vital access

to <u>capital for distressed borrowers</u> — USDA, through the delivery of FSA programs, will have invested more than \$19 billion in America's agricultural producers with more economic support on the way in fiscal year 2024.

For more information on available FSA programs, contact your local USDA Service Center.

## USDA Reminds Direct Loan Borrowers of Cash Flow-Based and Extraordinary Measures Assistance Options

Requests for Assistance Must Be Received by December 31, 2023

USDA's Farm Service Agency (FSA) continues to accept and review individual assistance requests from: (1) direct Farm Loan Programs (FLP) borrowers who missed a recent installment or are unable to make their next scheduled installment, and (2) borrowers who took certain extraordinary measures to avoid delinquency on their direct FLP loans.

FSA direct loan borrowers with qualifying FLP loans who are unable to pay their upcoming installments or have already missed a recent installment payment can request a cash flow analysis from FSA using a recent balance sheet and operating plan to determine their eligibility. **This assistance is currently limited to installments due August 1, 2022, through January 15, 2024.** If FSA determines that a borrower qualifies for cash flow-based assistance due to an inability to develop a feasible plan for the current production cycle, FSA will make a one-time credit to the borrower's account in the amount of the missed or upcoming direct loan installment(s). Consistent with other Section 22006 assistance provided to FSA direct loan borrowers, cash flow-based assistance is only available to borrowers who have not received prior IRA Section 22006 assistance that covered a forward direct loan installment.

Assistance is also available for borrowers who took certain extraordinary measures between February 28, 2020, through October 18, 2022, to avoid delinquency on their loans, such as monetizing long term or essential assets, incurring additional non-FSA debt, or deferring other essential payments, resulting in reduced farm and household viability. If FSA determines that a borrower qualifies for extraordinary measures assistance, the borrower will receive a direct payment equaling the amount of funds obtained through the extraordinary measure(s) that were used to make the payment(s) to FSA, with a maximum payment being the full amount of the installment paid. Borrowers may also be eligible to receive a payment covering their next loan installment due on all FLP direct loans if they have not received prior IRA Section 22006 assistance that covered a forward installment.

Borrowers can submit requests for extraordinary measures or cash flow-based assistance in person at their local FSA office or by sending in a direct request using the farmers.gov 22006 assistance request portals at <a href="mailto:farmers.gov/loans/inflation-reduction-investments/assistance">farmers.gov/loans/inflation-reduction-investments/assistance</a>. All requests for assistance must be received by December 31, 2023.

Borrowers can learn more about extraordinary measures and cash flow-based assistance, including complete eligibility requirements, at farmers.gov/loans/inflation-reduction-investments/assistance.

As USDA learns more about the types of situations financially distressed farmers are facing, the Department will continue to update borrowers and the public about new assistance for distressed borrowers. USDA will also provide regular updates about its progress in deploying this funding to farmers who need it.

## Fall Application Deadlines for Noninsured Crop Disaster Assistance Program (NAP) Quickly Approaching

USDA lowa Farm Service Agency (FSA) reminds producers of approaching application deadlines for purchasing risk coverage for some crops through the Noninsured Crop Disaster Assistance Program (NAP). NAP provides financial assistance to producers of non-insurable crops impacted by natural disasters that result in lower yields, crop losses, or prevented crop planting.

NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including forage and grazing crops, fruits, vegetables, floriculture, ornamental nursery, aquaculture, turf grass and more.

Upcoming application deadlines for NAP coverage in Iowa for the 2024 production season include:

- September 30, 2023
  - Alfalfa
  - Asparagus
  - Flowers
  - Garlic
  - Grasses
  - Mixed Forage
  - Rye
  - Strawberries
- November 20, 2023
  - Apples
  - Apricots
  - Aronia Berries
  - Blueberries
  - Caneberries
  - Elderberries
  - Grapes
  - Hops
  - Peaches
  - Pears

NAP basic coverage is available at 55% of the average market price for crop losses that exceed 50% of expected production. Buy-up coverage is available in some cases. NAP offers higher levels of coverage, ranging from 50% to 65% of expected production in 5% increments, at 100% of the average market price. Producers of organic crops and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100% of the average market price at coverage levels ranging between 50% and 65% of expected production. Buy-up coverage is not available for crops intended for grazing.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Premiums apply for buy-up coverage.

If a producer has a Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification (form CCC-860) on file with FSA, it may serve as an application for basic coverage for all eligible crops beginning with crop year 2022. These producers will have all NAP-related service fees for basic coverage waived. These producers may also receive a 50% premium reduction if higher levels of coverage are elected on form CCC-471, prior to the application closing date for each crop.

To learn more about NAP visit fsa.usda.gov/nap or contact your local USDA Service Center.

### What Are Your Field Goals?



With harvest and football season beginning, it's a great time for producers to work on their own field goals. For the next several weeks, we'll be looking at conservation practices through the lens of football.

In some ways, being a farmer is like being a coach. You assess the landscape, develop a strategy, cultivate a team, and refine your tactics each season as you find the plays that work. All the while, your fans here at Natural Resources Conservation Service (NRCS) are proud to support and cheer you on, winning season after winning season.

Read more at: https://www.farmers.gov/blog/what-are-your-field-goals.

# USDA Launches Farm Labor Stabilization and Protection Pilot Program to Support Agricultural Employers and Farmworkers

The Biden-Harris Administration recently announced that agricultural employers can begin to apply for a pilot program designed to improve the resiliency of the food and agricultural supply chain by addressing workforce challenges farmers and ranchers face. The U.S. Department of Agriculture (USDA), in coordination with other federal agencies, is announcing up to \$65 million in grants available for the Farm Labor Stabilization and Protection Pilot Program (FLSP Program).

The program will help address workforce needs in agriculture, promote a safe and healthy work environment for farmworkers, and aims to support expansion of lawful migration pathways for workers, including for workers from Northern Central America, through the Department of Labor's seasonal H-2A visa program. The program makes good on a commitment made and announced as part of the Los Angeles Declaration on Migration and Protection and is funded by President Biden's American Rescue Plan.

The FLSP Program seeks to advance the following Administration priorities:

- Address current workforce needs in agriculture: Based on stakeholder input, USDA identified that
  agricultural employers have experienced increased challenges finding an adequate supply of workers,
  which threatens our domestic capacity to produce a safe and robust food supply. This pilot program will
  help address these challenges by expanding the potential pool of workers, and enhancing employers'
  competitiveness by improving the quality of the jobs they offer.
- Reduce irregular migration, including from Northern Central America through the expansion of regular pathways: While U.S. agricultural operations seek additional workers, the Biden-Harris

Administration has committed to promote the expansion of regular migration pathways, as part of the Los Angeles Declaration on Migration and Protection. The FLSP offers an opportunity to support this commitment, with economic benefits for foreign workers and their families, and professional and economic development opportunities for communities that send their workers to participate in the H-2A program.

• Improve working conditions for farmworkers: A stable and resilient food and agricultural sector relies on attracting and retaining skilled agricultural workers, and strong working conditions are critical to achieve that goal. Through this pilot program, USDA will support efforts to improve working conditions for agricultural workers, both U.S. and H-2A workers. The pilot will help ensure that workers know their rights and the resources available for them, and will promote fair and transparent recruitment practices.

#### **Additional Information**

Eligibility for this competitive grant program is limited to domestic agricultural employers who 1) anticipate meeting all Department of Labor (DOL) and Department of Homeland Security (DHS) regulatory requirements for the H-2A program, including demonstrated effort to effectively recruit U.S.-based workers and hire all willing, able, and qualified U.S. workers; and 2) commit to, and indicate capacity to fulfill all Baseline Requirements, as well as any selected (supplemental) commitments that entail additive worker benefits and protections. Eligible employers include fixed-site employers, joint-employers, agricultural associations, and H-2A labor contractors.

The maximum award amount is \$2,000,000 and the minimum amount is \$25,000 per grant agreement (including any sub-awardees). Award amounts will be determined based on the projected number of full-time equivalent (FTE) agricultural employees, desired award level, as well as the competitive nature of the application. Consistent with the H-2A requirements, applicants must demonstrate insufficient availability of a U.S.-based workforce. The grant window for each recipient is 24 months, allowing producers to use the grant over the course of two agricultural production seasons.

Applications for the FLSP program must be received on or before 11:59 pm Eastern Time on November 28, 2023. More information about the application process can be found here: <a href="https://www.ams.usda.gov/flsp">www.ams.usda.gov/flsp</a>.

This announcement is part of the Biden-Harris Administration's Investing in America agenda to grow the American economy from the middle out and bottom up by rebuilding our nation's infrastructure, creating good-paying jobs, and building a clean energy economy to tackle the climate crisis and make our communities more resilient.



# USDA Provides \$5 Million in Second Round of Payments to Help Organic Dairy Producers Cover Increased Costs

The U.S. Department of Agriculture (USDA) is announcing a second round of payments for dairy producers through the Organic Dairy Marketing Assistance Program (ODMAP), providing an additional \$5 million to help dairy producers mitigate market volatility, higher input and transportation costs, and unstable feed supply and prices that have created

unique hardships in the organic dairy industry. USDA's Farm Service Agency (FSA) has already paid out \$15 million in the first round of payments for eligible producers, bringing total ODMAP payments to \$20 million. Producers paid during the first round will automatically receive payment in the second round and no action is needed.

## **USDA Offers Drought Impacted Iowa Farmers and Ranchers Immediate Disaster Assistance**

USDA's Farm Service Agency (FSA) offers disaster assistance and low-interest loan programs to assist you in your recovery efforts following drought. Available programs and loans include:

- Non-Insured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including qualifying drought (includes native grass for grazing).
- **Livestock Forage Disaster Program (LFP)** provides compensation to eligible livestock producers who suffered grazing losses for covered livestock due to drought on privately owned or cash leased land
- Livestock Indemnity Program (LIP) offers payments to eligible producers for livestock death losses in
  excess of normal mortality due to adverse weather. Drought is not an eligible adverse weather event,
  except when associated with anthrax, a condition that occurs because of drought and directly results in
  the death of eligible livestock.
- Tree Assistance Program (TAP) provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub and vine losses due to natural disasters including excessive wind and qualifying drought.
- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs.
- **Emergency Loan Program** available to producers with agriculture operations located in a county under a primary or contiguous Secretarial Disaster designation. These low interest loans help producers recover from production and physical losses.
- Emergency Conservation Program (ECP) provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought.

To establish or retain FSA program eligibility, you must report prevented planting and failed acres (crops and grasses). Prevented planting acreage must be reported on form *FSA-576, Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

For more information on these programs, contact your local USDA Service Center at or visit fsa.usda.gov/disaster.



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