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USDA Encourages Producers to Enroll in Grasslands CRP



The U.S. Department of Agriculture (USDA) encourages producers and landowners to enroll in the Grassland Conservation Reserve Program (CRP) starting next week through May 13, 2022. Grassland CRP provides a unique opportunity for farmers, ranchers, and agricultural landowners to keep land in agricultural production and supplement their income while improving their soils and permanent grass cover. The program had its highest enrollment in history in 2021 and is part of the Biden-Harris Administration's broader effort to equip producers with the tools they need to help address climate change and invest in the long-term health of our natural resources.

[Grassland CRP](#) is a federally funded voluntary working lands program. Through the program, USDA's Farm Service Agency (FSA) provides annual rental payments to landowners to maintain and conserve grasslands while allowing producers to graze, hay, and produce seed on that land. Maintaining the existing permanent cover provides several benefits, including reducing erosion, providing wildlife habitat and migration corridors, and capturing and maintaining carbon in the soil and cover.

FSA provides participants with annual rental payments and cost-share assistance. The annual rental rate varies by county with a national minimum rental rate of \$13 per acre for this signup. Contract duration is 10 or 15 years.

Grassland CRP National Priority Zones

Because Grassland CRP supports not only grazing operations but also biodiversity and conserving environmentally sensitive land such as that prone to wind erosion, FSA created two [National Priority Zones](#) in 2021: the Greater Yellowstone Migration Corridor and Dust Bowl Zone. As part of the Biden-Harris Administration's focus on conservation in important wildlife corridors and key seasonal ranges, for this year's signup, FSA is expanding the Greater Yellowstone Wildlife Migration Corridor Priority Zone to include seven additional counties across Montana, Wyoming, and Utah, to help protect the big-game animal migration corridor associated with Wyoming elk, mule deer, and antelope.

Offers within one of these National Priority Zones will receive an additional 15 ranking points and \$5 per acre if at least 50% of the offer is located in the zone.

Alongside Grassland CRP, producers and landowners can also enroll acres in Continuous CRP under the ongoing sign up, which includes projects available through the Conservation Reserve Enhancement Program (CREP) and State Acres for Wildlife Enhancement (SAFE).

Broadening Reach of Program

As part of the Agency's Justice40 efforts, producers and landowners who are historically underserved, including beginning farmers and military veterans, will receive 10 additional ranking points to enhance their offers.

Additionally, USDA is working to broaden the scope and reach of Grassland CRP by leveraging the [Conservation Reserve Enhancement Program](#) (CREP) to engage historically underserved communities. CREP is a partnership program that enables states, Tribal governments, non-profit, and private entities to partner with FSA to implement CRP practices and address high priority conservation and environmental objectives. Interested entities are encouraged to contact FSA.

More Information on CRP

Landowners and producers interested in Grassland CRP should contact their local [USDA Service Center](#) to learn more or to apply for the program before the May 13 deadline. Additionally, fact sheets and other resources are available at fsa.usda.gov/crp.

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. The working lands signup announced today demonstrates how much it has evolved from the original program that was primarily intended to control soil erosion and only had the option to take enrolled land out of production. The program has expanded over the years and now supports a greater variety of conservation and wildlife benefits, along with the associated economic benefits.

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 [usda.gov](https://www.usda.gov).

USDA Updates Eligibility for Spot Market Hog Pandemic Program

The U.S. Department of Agriculture (USDA) has clarified the definition of a spot market sale and hog eligibility under the [Spot Market Hog Pandemic Program](#) (SMHPP), which assists producers who sold hogs through a spot market sale from April 16, 2020, through Sept. 1, 2020. Hog producers will also now be required to submit documentation to support information provided on their SMHPP application. USDA's Farm Service Agency (FSA) will accept applications through April 29, 2022, which is an extension of the April 15, 2022, deadline previously set for the program.

USDA is offering the SMHPP in response to a reduction in packer production due to the COVID-19 pandemic, which resulted in fewer negotiated hogs being procured and subsequent lower market prices. The program is part of USDA's broader [Pandemic Assistance for Producers](#) initiative and addresses gaps in previous assistance for hog producers.

SMHPP Program Updates

When the pandemic disrupted normal marketing channels, including access to packers, producers sold their hogs through cash sales to local processors or butchers, direct sales to individuals and third-party intermediaries, including sale barns or brokers. The use of third-party intermediaries was the only available marketing alternative for many producers and are now included in SMHPP. The only direct to packer sales that are eligible for SMHPP are those through a negotiated sale. Hogs sold through a contract that includes a premium above the spot-market price or other formula such as the wholesale cut-out price remain ineligible. Hogs must be suitable and intended for slaughter to be eligible. Immature swine (pigs) are ineligible.

FSA will now require documentation to support the accuracy of information provided on the FSA-940 Spot Market Hog Pandemic Program application, including the number of hogs reported on the application that were sold through a spot market sale and how the price was determined for the sale.

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of \$54 per head. To ensure SMHPP funding availability is disbursed equitably to all eligible producers, FSA will now issue payments after the application period ends. If calculated payments exceed the amount of available funding, payments will be factored.

Applying for Assistance

Eligible hog producers can apply for SMHPP by April 29, 2022, by completing the FSA-940, Spot Market Hog Pandemic Program application, along with required supporting

documentation. Producers can visit farmers.gov/smhpp for examples of supporting documentation, information on applicant eligibility and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find their local FSA office, producers should [visit farmers.gov/service-locator](https://farmers.gov/service-locator). Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

USDA to Extend Application Deadlines for Partnerships for Climate-Smart Commodities Funding Opportunity

The U.S. Department of Agriculture (USDA) is extending the deadlines to apply for the Partnerships for Climate-Smart Commodities funding opportunity after requests from many stakeholders. The new deadlines to apply via Grants.gov by 11:59 p.m. ET:

- First Funding Pool – May 6, 2022 Proposals from \$5 million to \$100 million
- Second Funding Pool – June 10, 2022 Proposals from \$250,000 to \$4,999,999

The Partnerships for Climate-Smart Commodities funding opportunity will finance pilot projects that create market opportunities for U.S. agricultural and forestry products that use climate-smart production practices and include innovative, cost-effective ways to measure and verify greenhouse gas benefits. USDA began accepting project applications for fiscal year 2022 on Feb. 7, 2022, and since then, Department officials have heard from many stakeholders that an extension would allow them to prepare more robust applications to further development of climate-smart markets for a diverse range of producers. Funding will be provided to partners through the USDA's [Commodity Credit Corporation](#) for pilot projects to provide incentives to producers and landowners to:

- Implement climate-smart production practices, activities, and systems on working lands,
- Measure/quantify, monitor, and verify the carbon and greenhouse gas (GHG) benefits associated with those practices, and
- Develop markets and promote the resulting climate-smart commodities.

How to Apply

A range of public and private entities may apply, including:

- County, city or township governments
- Special district governments
- State governments
- Small businesses
- For profit organizations other than small businesses

- Native American tribal governments (Federally recognized)
- Native American tribal organizations (other than Federally recognized tribal governments)
- Nonprofits having a 501(c)(3) (other than institutions of higher education)
- Nonprofits that do not have a 501(c)(3) (other than institutions of higher education)
- Private institutions of higher education, or
- Public and State-controlled institutions of higher education.

In response to questions received from potential applicants, USDA has also provided additional clarity regarding requirements in the funding opportunity, including:

- The definition of “domestic applicant;”
- Producers’ eligibility as beneficiaries of the funding; and
- Quantification requirements.

[Frequently asked questions](#) are also available on the website to help answer questions.

USDA is committed to equity in program delivery and is specifically seeking proposals from entities serving all types of producers, including small or historically underserved producers. Providing sufficient incentives to encourage producer participation and generating both verifiable greenhouse gas reduction and carbon sequestration benefits are critical to project success and will be considered in the evaluation criteria.

More Information

USDA published a [Request for Information](#) in September 2021 seeking public comment and input on design of this new initiative and used the nearly 400 comments received to inform this funding opportunity. The [funding opportunity has received praise](#) from across multiple industries for its support to create innovative and cost-effective markets.

Visit [usda.gov](https://www.usda.gov) for additional information, including details on Partnerships for Climate-Smart Commodities and resources to support your application.

New Online Tool Allows Farmers, Ranchers to Easily Report Anticompetitive Practices



Farmers, ranchers, and other producers and growers now have a one-stop shop to help ensure they are treated fairly. The new farmerfairness.gov portal developed jointly by the U.S. Department of Agriculture (USDA) and Department of Justice (DOJ) allows you to report potential violations of livestock and poultry antitrust laws, including the Packers and Stockyards Act.

Agriculture Secretary Tom Vilsack recently expressed concern that producers across the country have for too long faced a marketplace that benefits a few large companies over the farmers and ranchers who grow and raise our food.

For example, ranchers received more than 60 cents of every dollar a consumer spent on beef 50 years ago, compared to approximately 39 cents today. Hog farmers fared worse over the past 50 years, as their share of the consumer dollar fell from between 40 to 60 cents 50 years ago to approximately 19 cents today.

In order to assure economic opportunity and fairness for all, this portal makes it easy for farmers and ranchers to register a complaint or tip and provide details that would aid an investigation.

Who may submit a complaint or tip?

Anyone who suspects a violation of Federal law governing fair and competitive marketing and contract growing of livestock and poultry, including the Packers and Stockyards Act.

What information should I provide?

Those reporting potential violations of the Packers and Stockyards Act and other competition laws via the online portal are asked to submit the following information:

- The names of companies, individuals, or organizations that are involved,
- A description of any possible violations of the Packers and Stockyards Act or other [federal antitrust laws](#),
- Examples of the conduct that may violate one or more of these laws,
- Any other relevant details about the violation, and
- The names of companies, individuals, or organizations that may be harmed by the alleged violation and how they are harmed.

What is the process following submission of a complaint or tip?

Complaints and tips will go through a preliminary review by USDA Packers and Stockyards Division staff and Department of Justice staff. If a complaint raises sufficient concern under the Packers and Stockyards Act or antitrust laws, it will be selected for further investigation by the appropriate agency. This action may lead to the opening of a formal investigation.

USDA or DOJ staff will only contact complainants if additional information is needed.

Will my confidentiality be protected?

Both USDA and DOJ will protect the confidentiality of the complainants to the fullest extent possible under the law. For any information provided, DOJ and USDA will follow their respective Privacy and Confidentiality Policies found at: [DOJ Confidentiality](#) and [USDA Privacy](#). Packers and Stockyards regulations regarding confidentiality also apply: [PSD Confidentiality](#). DOJ and USDA commit to supporting relevant whistleblower protections, including newly applicable protections [for criminal antitrust complainants against unlawful retaliation](#).

To submit an anonymous complaint or tip, complainants or tippers should provide appropriate details but not enter their names or contact information. Neither USDA nor

DOJ will be able to contact anonymous complainants or tips to obtain additional information that might be needed to evaluate your complaint tip, or to engage in future correspondence regarding your complaint or tip.

Farmers, ranchers, and other producers and growers deserve the benefits of fair and competitive markets for their products and services. This portal is an additional tool to support and protect these individuals who are vital to agriculture and our food supply.

Ask the Expert: A Farm Operating Loan Q&A with Jack Carlile

In this Ask the Expert, Jack Carlile, Farm Loan Manager for the USDA Farm Service Agency (FSA), answers questions about farm operating loans and when producers should apply in order to secure funds for the current crop year.

As the Farm Loan Manager for the Cherokee County Service Center, Jack is responsible for managing the loan making and loan servicing activities for five counties in northeast Oklahoma. His office provides services for over 650 farm loan customers. Jack was raised on a cross bred cow/calf operation that his grandparents started. Over the years, each generation has added to the operation by purchasing additional pasture. The operation also grows and bales their own hay. Jack's agriculture background and degree in agriculture economics from Oklahoma State University help him better understand the financing needs of his producers.

Who can apply for FSA Farm Loans?

Anyone can apply for FSA's loan programs. Applications will be considered on basic eligibility requirements. To apply for a loan, you must meet the following general eligibility requirements including:

- Be a U.S. citizen or qualified alien.
- Operator of a family farm or ranch.
- Have a satisfactory credit history.
- Unable to obtain credit elsewhere at reasonable rates and terms to meet actual needs.
- Not be delinquent on any federal debts.

What can I purchase with operating loans?

[Farm Operating Loans](#) are traditionally used for purchasing capital items such as farm machinery, equipment, or livestock. Loan funds can also be used to help pay typical operating expenses for farming and ranching operations. For example, a rancher may use an operating loan to purchase forage for his cattle to feed them through the winter or a row crop producer may use an operating loan for paying for inputs like seed or fertilizer.

What is the maximum loan amount and terms?

The maximum loan amount for a Direct Farm Operating Loan is \$400,000. Direct loans are made and serviced by FSA.

Producers can also apply for [Guaranteed Operating Loans](#) that are made by your commercial lender, and guaranteed against loss by FSA. The maximum loan amount for a Guaranteed Farm Operating Loan is \$1,825,000. Loan terms for operating loans range from one to seven years.

How do I apply?

If you're interested in applying for a farm loan, you can pick up an application by visiting your local FSA office. Visit [farmers.gov](#) to find the USDA Service Center nearest you.

When applying for a loan, you will need a business plan, which must include:

- Your mission, vision, and goals for your farm or ranch.
- Your current assets and liabilities.
- Marketing Plan (what your operation will produce and where you will market and sell your products.)
- Whether the amount of income your operation generates will be enough to pay your business and family living expenses.

When should I apply for an operating loan?

I would recommend beginning the application process a few months in advance of needing the funds to allow time for the request to be processed, and for any necessary security checks and searches to be completed. That allows time for the funds to be available for your use when most needed.

Where can I find more information?

To learn more about FSA loans visit [farmers.gov/loans](#) or [fsa.usda.gov/farmloans](#). Fact sheets and application packages are also available at your USDA Service Center. To learn more about other types of FSA loans or to find the right loan for your operation, use the Farm Loan Discovery Tool by visiting [farmers.gov/loans/farm-loan-discovery-tool](#).

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 FSA office by visiting farmers.gov/service-center-locator or fsa.usda.gov.

- See our [2022 Kentucky Guaranteed Lender Newsletter](#)
- See our [2022 KY FSA Customer Calendar](#)

April 2022 Selected Interest Rates

Farm Loan Programs	
90-Day Treasury Bill	0.250%
Farm Operating Loans - Direct	2.750%
Farm Ownership Loans - Direct	3.250%
Limited Resource Loans	5.000%
Farm Ownership Loans - Direct FO Down Payment	1.500%
Emergency Loans	3.750%

Farm Programs Farm Storage Facility Loans	
3 Year	1.875%
5 Year	1.875%
7 Year	2.000%
10 Year	2.000%
12 Year	2.125%
Commodity Loans	2.125%
CCC Borrowing Rate	1.125%

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