Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

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Agricultural Producers Have Until March 15 to Enroll in USDA's Key Commodity Safety Net Programs

Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for the 2023 crop year have until March 15, 2023, to elect and enroll a contract. The U.S. Department of Agriculture (USDA) offers these two safety net programs to provide vital income support to farmers experiencing substantial declines in crop prices or revenues.

"The Agriculture Risk Coverage and Price Loss Coverage programs provide critical financial protections to many American farmers. As producers across the country deal with unexpected market volatility and natural disasters, these programs offer much-needed support and stability," said Dean Schamore, State Executive Director for FSA in Kentucky. "I am encouraging producers to reach out to their county offices to learn about program eligibility and election options today, so that they can begin the enrollment process as soon as possible."

Producers can elect coverage and enroll in ARC-County or PLC, which are both commodity-by-commodity, or ARC-Individual, which covers the entire farm. Although election changes for 2023 are optional, producers must enroll through a signed contract each year. Additionally, if a producer has a multi-year contract on their farm and makes an election change for 2023, they will need to sign a new contract.

If producers do not submit an election by the March 15, 2023, deadline, the election remains the same as the 2022 election for commodities on the farm. Farm owners cannot enroll in either program unless they have a share interest in the commodity.

In Kentucky, producers have completed 31,633 contracts to date, representing 72% of the more than 44,209 expected contracts.

Producers who do not complete enrollment by the deadline will not be enrolled in ARC or PLC for the 2023 year and will not receive a payment if triggered.

Producers are eligible to enroll farms with base acres for the following commodities: 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.

Decision Tools

In partnership with USDA, two web-based decision tools are available to assist producers in making informed, educated decisions using crop data specific to their respective farming operations:

- 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 University that allows producers to estimate payments and yield updates and expected payments for 2023.

Crop Insurance Considerations and Decision Deadline

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.

Producers should contact their crop insurance agent to make certain that the election and enrollment made at FSA follows their intention to participate in STAX or SCO coverage.

Producers have until March 15, 2023, to make the appropriate changes or cancel their ARC or PLC contract.

More Information

For more information on ARC and PLC, producers can visit the ARC and PLC webpage or contact their local USDA Service Center.

USDA Announces General Conservation Reserve Program Signups for 2023

Agriculture Secretary Tom Vilsack announced that agricultural producers and private landowners can begin applying for the Conservation Reserve Program (CRP) General signup starting **February 27 through April 7, 2023.** CRP is a cornerstone voluntary conservation program offered by the U.S. Department of Agriculture (USDA) and a key tool in the Biden-Harris administration's effort to address climate change and help agricultural communities invest in the long-term well-being of their land and natural resources.

Producers and landowners enrolled more than 5 million acres into CRP through signups in 2022, building on the acceptance of more than 3.1 million acres in the largest Grassland CRP signup in history. There are currently 23 million acres enrolled in CRP, with 1.9 million set to expire this year. USDA's Farm Service Agency (FSA) is aiming to reach the 27-million-acre cap statutorily set for fiscal year 2023.

General CRP

General CRP helps producers and landowners establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality and enhance wildlife habitat on cropland. Additionally, General CRP includes a Climate-Smart Practice Incentive to help increase carbon sequestration and reduce greenhouse gas emissions by helping producers and landowners establish trees and permanent grasses, enhance wildlife habitat, and restore wetlands.

Continuous CRP

Under Continuous CRP, producers and landowners can enroll in CRP throughout the year. Offers are automatically accepted provided the producer and land meet the eligibility requirements and the enrollment levels do not exceed the statutory cap. The Climate-Smart Practice Incentive is also available in the Continuous signup.

FSA offers several additional enrollment opportunities within Continuous CRP, including the Clean Lakes Estuaries and Rivers Initiative (CLEAR30), the State Acres for Wildlife Enhancement (SAFE) Initiative, the Farmable Wetlands Program (FWP), and the Conservation Reserve Enhancement Program (CREP). The CLEAR30 Initiative, which was originally piloted in twelve states in the Great Lakes and Chesapeake Bay watershed, has been expanded nationwide, allowing producers and landowners to enroll in 30-year CRP contracts for water quality practices. Under this administration, FSA also moved SAFE practices back to the Continuous CRP signup, giving producers and landowners more opportunities to participate in the initiative. Through the FWP, producers and landowners can enroll land in CRP as part of their efforts to restore previously farmed wetlands and wetland buffers, to improve both vegetation and water flow.

This administration has also made significant improvements to CREP, which leverages federal and non-federal funds to target specific State, regional or nationally significant conservation concerns. Specifically, USDA made significant improvements to CREP to reduce barriers and make the program more accessible to a broad range of producers and new types of partners.

These updates included flexibility for partners to provide matching funds in the form of cash, in-kind contributions, or technical assistance, along with an investment in additional staff to work directly with partners. Through CREP, for the first time ever, three Tribal Nations are now partnering with USDA to help conserve, maintain, and improve grassland productivity, reduce soil erosion, and enhance wildlife habitat.

Grassland CRP

FSA will announce the dates for Grassland CRP signup in the coming weeks. Grassland CRP is a working lands program, helping landowners and operators protect grassland, including rangeland and pastureland and certain other lands, while maintaining the areas as working grazing lands.

Protecting grasslands contributes positively to the economy of many regions, provides biodiversity of plant and animal populations, and provides important carbon sequestration benefits to deliver lasting climate outcomes.

How to Sign Up

Landowners and producers interested in CRP should contact their local USDA Service Center to learn more or to apply for the program before their deadlines.

Producers with expiring CRP acres can use the Transition Incentives Program (TIP), which incentivizes producers who sell or enter a long-term lease with a beginning, veteran, or socially disadvantaged farmer or rancher who plans to sustainably farm or ranch the land.

More Information

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits.

USDA Announces Signup for Crop and Revenue Loss Assistance for Agricultural Producers

Signup begins January 23 for additional emergency relief from the U.S. Department of Agriculture (USDA) through the Emergency Relief Program (ERP) Phase Two.

To be eligible for Phase Two, producers must have suffered a decrease in allowable gross revenue in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event. Eligible crops include both traditional insurable commodities and specialty crops that are produced in the United States as part of a farming operation and are intended to be commercially marketed. This also includes losses of eligible on-farm stored commodities. ERP Phase 2 applicants will use the following tax years when selecting allowable gross revenue:

- Benchmark years: 2018 and/or 2019; estimated for new producers with no 2018 or 2019 revenue or adjusted if the benchmark years are not representative of the disaster year due to a change in operation size.
- Disaster years: 2020 and/or 2021. The allowable gross revenue for the specific disaster year will be based on the tax yearapplicable to that revenue (2020, 2021 or 2022).

The ERP tool assists producers in calculating allowable gross revenue, as well as adjusted revenue for the benchmark years 2018 and 2019, and allowable gross revenue for representative tax years 2020-2022 which represent disaster years 2020 and 2021. Once producers complete the allowable gross revenue entries, they are able to print forms FSA-521 and FSA-521A through this tool.

The ERP Phase 2 and PARP application period is open from January 23 through June 2 2023.

For more information on payment calculations, payment limitations or how to determine allowable gross revenue, please reference the ERP Phase 2 fact sheet.

USDA Announces Signup for Pandemic Assistance Revenue Program

The Pandemic Assistance Revenue Program (PARP) will assist eligible producers of agricultural commodities who experienced revenue decreases in calendar year 2020 compared to 2018 or 2019 due to the COVID-19 pandemic. 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.

USDA's Farm Service Agency will accept PARP applications from January 23, 2023, through June 2, 2023.

Eligible and Ineligible Commodities

For PARP, eligible agricultural commodities include crops, aquaculture, livestock, livestock byproducts, or other animals or animal byproducts that are produced as part of a farming operation and are intended to be commercially marketed. This includes only commodities produced in the United States or those produced outside the United States by a producer located in the United States and marketed inside the United States.

The following commodities **are not eligible** for PARP:

- Wild free-roaming animals.
- Horses and other animals used or intended to be used for racing or wagering.
- Aquatic species that do not meet the definition of aquaculture.

- *Cannabis sativa L.* and any part of that plant that does not meet the definition of hemp.
- Timber.

Program Eligibility

PARP payments will be made on a whole-farm basis, not commodity-by-commodity. To be eligible for PARP, an agricultural producer must have been in the business of farming during at least part of the 2020 calendar year and must have experienced a 15 percent decrease in allowable gross revenue in 2020, as compared to either:

- The 2018 or 2019 **calendar year**, *as elected by the producer*, if they received allowable gross revenue during the 2018 or 2019 **calendar years**, or

- The producer's expected 2020 calendar year allowable gross revenue, if the producer had no allowable gross revenue in 2018 or 2019.

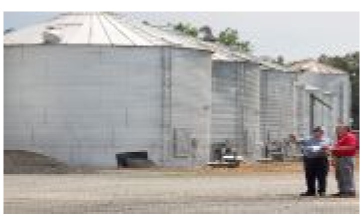
PARP payments will be issued after the application period ends on June 2, 2023.

For more information on determining allowable gross revenue visit farmers.gov/coronavirus/pandemic-assistance/parp or review the PARP fact sheet.

More Information

To apply for PARP, contact your local USDA Service Center.

USDA Announces Sign-up for Cost-Share Assistance for On-Farm Grain Storage in Areas with Limited Commercial Capacity Due to Severe Storms



New Program Helps Fill the Need Caused by Damaged Grain Storage Facilities in Kentucky, Minnesota, and South Dakota

Agriculture Secretary Tom Vilsack today announced that producers in counties affected by eligible disaster events in Kentucky, Minnesota, South Dakota, Illinois, Indiana, Iowa, Missouri, North Dakota, and Tennessee can apply for cost-share assistance through the Emergency Grain Storage Facility Assistance Program (EGSFP). The new program provides cost-share assistance for the construction of new grain storage capacity and drying and handling needs, in order to support the orderly marketing of commodities. An initial allocation of $20 million in cost-share assistance is available to agricultural producers in affected counties impacted by the damage to or destruction of large commercial grain elevators as a result of natural disasters from Dec. 1, 2021, to Aug. 1, 2022. The application period opens later this month and closes Dec. 29, 2023.

"Weather events in 2021 and 2022 in several states caused catastrophic losses to grain storage facilities on family farms as well as a large, commercial grain elevator, leaving stored grain exposed to the elements and affecting storage and commodity marketing options for many producers," Vilsack said. "USDA heard from congressional leaders, including Minority

Leader McConnell, who identified a gap in our disaster assistance toolkit and used our Commodity Credit Corporation authority to act more quickly than waiting for specific legislation. This new program will provide cost-share assistance to help producers address their on-farm storage capacity needs that are necessary for marketing grain."

This assistance from USDA's Farm Service Agency (FSA) is designed to help producers affected by the December 2021 tornadoes that passed through 11 counties in Kentucky, as well as producers in Illinois, Indiana, Iowa, Minnesota, Missouri, North Dakota, South Dakota, and Tennessee affected by eligible disaster events in 2022. The program was previewed last fall and will be made available with the publication of the Notice in the Federal Register.

Eligibility

Maps showing the location of damaged grain facilities in Kentucky, Minnesota, South Dakota and surrounding eligible areas are available online. These maps depict damaged storage facility locations and the affected counties within a 30-mile radius of these facilities where producers may be eligible to apply for EGSFP benefits if they can demonstrate a need for additional on-farm grain storage capacity.

Additionally, FSA may determine a need for EGSFP assistance in counties in other states and regions during the application period where an eligible disaster event has damaged storage facility locations. Eligible disaster events include hurricanes, tornadoes, floods, derechos, straight-line winds and winter storms that occurred between Dec. 1, 2021, and Aug. 1, 2022.

EGSFP helps producers build permanent or temporary on-farm grain storage capacity, restore existing storage capacity, and purchase drying and handling equipment in affected counties.

The following types of new/used facilities and upgrades are eligible for cost-share assistance and must have a useful life of at least three years:

- conventional-type cribs or bins designed and engineered for grain storage
- open buildings with two end walls
- converted storage structures
- asphalt, concrete or gravel floors with grain piles and tarp covering,
- ag baggers (including bags)

On-farm grain storage structures may account for aeration, drainage, and may require loading or unloading augers, drying and handling equipment.

How to Apply

Producers must submit the EGSFP Application, form *FSA-413,* and any additional required forms to their FSA county office either in person, by mail, email, or facsimile starting later this month and by the Dec. 29, 2023, deadline. Form *FSA-413-1*, Continuation Sheet for EGSFP, must be submitted with the *FSA-413* when a group of producers are applying for assistance.

Payment Calculation

FSA will use the producer's self-certified cost of the additional on-farm grain storage capacity or drying and handling equipment needed multiplied by the producer's share of grain.

This amount will then be multiplied by the cost share factor of 75% or 90%. An eligible producer who certifies they are socially disadvantaged, limited resource, beginning and veteran farmer or rancher by filing form *CCC-860* with FSA will receive the higher 90% cost share rate.

More Information

For more information visit the program webpage or the EGSFP fact sheet. USDA also has an existing Farm Storage Facility Loan Program that can immediately provide low-interest financing for eligible producers who may not be eligible for EGSFP but are in need of on-farm storage capacity.

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 fsa.usda.gov/microloans.

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be successful. FSA staff will provide guidance and counsel from the loan application process through the borrower's graduation to commercial credit. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation
- Any significant changes to family income or expenses
- The development of problem situations
- Any losses or proposed significant changes in security

If a farm loan borrower can't make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, contact your local USDA Service Center, or visit fsa.usda.gov.

- See our 2023 Kentucky Guaranteed Lender Newsletter

March 2023 Selected Interest Rates

Farm Loan Programs	
90-Day Treasury Bill	4.625%
Farm Operating Loans - Direct	4.750%
Farm Ownership Loans - Direct	4.875%
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	4.000%
5 Year	3.750%
7 Year	3.750%
10 Year	3.625%
12 Year	3.625%
Commodity Loans	5.750%
CCC Borrowing Rate	4.750%

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