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USDA Now Accepting Farm Loan Payments Online

Most farm loan borrowers will soon be able to make payments to their direct loans online through the Pay My Loan feature on farmers.gov in February. Pay My Loan is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, especially for producers who may have limited time during the planting or harvest seasons to visit a local FSA office; modernize and improve customer service; provide additional customer self-service tools; and expand credit access to assist more producers.

On average, local USDA Service Centers process more than 225,000 farm loan payments each year. Pay My Loan gives most borrowers an online repayment option and relieves them from needing to call, mail, or visit a Service Center to pay their loan installment. Farm loan payments can now be made at the borrower's convenience, on their schedule and outside of FSA office hours.

Pay My Loan also provides time savings for FSA's farm loan employees by minimizing manual payment processing activities. This new service for producers means that farm loan employees will have more time to focus on reviewing and processing new loans or servicing requests.

The Pay My Loan feature can be accessed at farmers.gov/loans. To use the payment feature, producers must establish a USDA customer account and a [USDA Level 2 eAuthentication \("eAuth"\) account or a Login.gov account](#). This initial release only allows individuals with loans to make online payments. For now, borrowers with jointly payable checks will need to continue to make loan payments through their local office.

FSA has a significant initiative underway to streamline and automate the Farm Loan Program customer-facing business process. For the over 26,000 producers who submit a direct loan application annually, FSA has made various improvements including:

- The [Online Loan Application](#), an interactive, guided application that is paperless and provides helpful features including an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet, and build a farm operating plan.
- The [Loan Assistance Tool](#) that provides customers with an interactive online, step-by-step guide to identifying the direct loan products that may be a fit for their business needs and to understanding the application process.
- A [simplified direct loan paper application](#), which reduced loan applications by more than half, from 29 pages to 13 pages.

USDA to Issue \$306 Million in Final Payments to Producers Impacted by 2020 and 2021 Natural Disasters

The U. S Department of Agriculture (USDA) is issuing final [Emergency Relief Program](#) (ERP) payments totaling approximately \$306 million to eligible commodity and specialty crop producers who incurred losses due to natural disasters in 2020 and 2021. USDA's Farm Service Agency (FSA) will begin issuing these additional payments to eligible producers this week.



Recipients of the additional payment are limited to those producers who received ERP Phase One payments from FSA that were calculated based on crop insurance indemnities. Initially, ERP Phase One payments to producers who were indemnified through Federal crop insurance, were subject to a 75% payment factor. FSA has since determined that adequate funding exists to provide an additional 3.5% ERP Phase One payment to producers who had crop insurance increasing the overall payment factor to 78.5%. These additional ERP Phase One payments are subject to FSA payment limitation provisions as outlined in the [ERP Phase One fact sheet](#).

Because ERP Phase One payments to producers of noninsured crops covered by FSA NAP policies were originally paid at 100%, there will be no additional payments issued to these producers for 2020 and 2021 losses.

The *Extending Government Funding and Delivering Emergency Assistance Act, 2021* (P.L. 117-43) provided \$10 billion in assistance to agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021. In 2022, FSA implemented ERP Phase One, which delivered \$7.5 billion in payments to commodity and specialty crop producers. For Phase One, ERP used a streamlined process with pre-filled application forms, leveraging crop insurance indemnities or Noninsured Crop Disaster Assistance Program (NAP) payments on file with USDA.

Separately, through the Disaster Relief Supplemental Appropriations Act, 2023 (P.L. 117-328) Congress allocated approximately \$3.2 billion in funding to cover necessary expenses related to losses of revenue, quality or production losses of crops. Enrollment is ongoing for ERP

2022, which 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.

Reminder: Insurance Linkage Requirements for Payments Received Through the Emergency Relief Program

Producers who received an Emergency Relief Program (ERP) payment need to meet ERP insurance linkage requirements by purchasing crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage at the 60/100 level or higher for the next two available crop years, which will be determined from the date you received an ERP payment and may vary depending on the timing and availability of coverage. The insurance coverage requirement applies to the physical location of the county where the crop was located and for which an ERP payment was issued.

Contact your crop insurance agent or local FSA county office as soon as possible to ask about coverage options. Producers who do not obtain the applicable coverage by the sales/application closing date will be required to refund the ERP benefits received on the applicable crop, plus interest. To determine which crops are eligible for federal crop insurance or NAP, visit the [RMA website](#).

For more information, contact your local [USDA Service Center](#) or visit fsa.usda.gov.

FSA in Kentucky is Hiring!

Make a Career Move that Makes a Difference
in **YOUR** Community...

The Kentucky Farm Service Agency is Hiring



The U. S. Department of Agriculture Farm Service Agency (FSA) is accepting applications for County Program Technicians (1 in Henderson, 1 in Hopkinsville, 1 in Maysville, 1 in Owensboro, 1 in Shelbyville, and 1 in Vanceburg, Kentucky). **The deadline to apply is February 20, 2024.**

Duties include general office activities supporting FSA programs administered at the field level. Successful applicants must be reliable, have a professional attitude and enjoy working with the public.

If you are interested or know of someone who might be interested, please share this information with them. Here is the direct link to the position with information on how to apply: [USAJOBS - Job Announcement](#).

Applications must be completed through USAJOBS no later than close of business February 20, 2024.

If you have specific questions regarding the position, contact our Administrative Officer, Clark Sturgeon, at 859-224-7622.

USDA is an equal opportunity provider, employer, and lender.

Kentucky USDA Encourages Producers Participating in Conservation Reserve Program to Consider Forest Management Incentive



The U.S. Department of Agriculture (USDA) is offering financial assistance to agricultural producers and private landowners enrolled in its Conservation Reserve Program (CRP) to improve the health of their forests. The Forest Management Incentive, available through USDA's Farm Service Agency (FSA), can help participants with forest management practices, such as brush management and prescribed burning.

The Forest Management Incentive is available to participants with active CRP contracts with forest cover that are not within two years of expiring. The incentive is a payment to eligible CRP participants who properly completed authorized forest management practice activities to improve the condition of resources, promote forest management and enhance wildlife habitat.

Forest management practices include brush management, herbaceous weed control, prescribed burning, firebreaks, development of early successional habitat and forest stand improvement. Additional information is available in our Forest Management Incentive [fact sheet](#).

Participants can now submit offers for the Forest Management Incentive. Interested producers should contact the FSA at their local [USDA Service Center](#).

The Inflation Reduction Act of 2022 (Pub. L. 117-169) and the Further Continuing Appropriations and Other Extensions Act, 2024 (Pub. L. 118-22), extended the authority and provided funding for the Forest Management Incentive until 2031.

The Forest Management Incentive was launched in 2020 and is one of the many natural resource conservation options available through CRP. Currently, the Forest Management Incentive has participants in 27 states.

Producers not currently participating in CRP can now submit offers for Continuous CRP. [Learn more](#).

UK Extension Vegetable and Fruit Crop Pricing Surveys

Survey will help FSA with state-specific data for Noninsured Crop Disaster Assistance Program

The University of Kentucky Extension, the Kentucky Vegetable Growers Association, and the Kentucky Horticulture Council are partnering to collect annual crop price averages which will be provided to the Kentucky Farm Service Agency State Office, to use if a Kentucky grower does not have historical price records.



To read access the surveys, see the [UK Cooperative Extension Service Newsletter](#).

For questions, please contact Delia Scott, delia.scott@uky.edu.

Applying for Youth Loans

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

For help preparing the application forms, contact your [local USDA Service Center](#), or visit fsa.usda.gov.

USDA Partners with Kentucky to Award Over \$7 Million to Strengthen Food Supply Chain Infrastructure

The U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) announced it has a cooperative agreement with Kentucky under the Resilient Food Systems Infrastructure Program (RFSI). Through this agreement, USDA and Kentucky are working together to offer over \$7 million in competitive grant funding for projects designed to build

resilience across the middle of the supply chain. Kentucky is accepting applications for this Infrastructure Grant funding through April 5, 2024.

In May 2023, [USDA announced](#) the availability of up to \$420 million through RFSI to strengthen local and regional food systems. Through this program, AMS has entered into cooperative agreements with state agencies, commissions, or departments responsible for agriculture, commercial food processing, seafood, or food system and distribution activities or commerce activities in states or U.S. territories. RFSI is authorized by the American Rescue Plan. Updates for each state's Request for Applications for the RFSI program are available on the [AMS website](#).

"This partnership between USDA and Kentucky is allowing critical funding to reach areas of the supply chain that need it most," said USDA Marketing and Regulatory Programs Under Secretary Jenny Lester Moffitt. "The projects funded through this program will create new opportunities for the region's small and midsize producers to thrive, expand access to nutritious food options, and increase supply chain resiliency."

Using RFSI funding, the Kentucky Department of Agriculture will fund projects that increase cold storage, expand processing capacity, upgrade information technology systems within the supply chain, and improve product aggregation at wholesale and collection points. The department will give priority consideration to projects supporting horticulture and value-added dairy products. The state's priorities are informed by stakeholder engagement and outreach to underserved producers to better understand their needs.

"The agriculture community is vital for Kentucky's economy," said Kentucky Department of Agriculture Commissioner Jonathan Shell. "These funds will be available to provide our small to mid-size agriculture and food processors with essential infrastructure, such as increasing processing capacity, purchasing new equipment, expanding current facilities, and improving storage. These funds are key to move our state's food system forward and create resiliency resulting in a thriving economy."

Those interested in receiving a subaward should apply directly through the [Kentucky Department of Agriculture](#) by April 5, 2024. AMS encourages applications that serve smaller farms and ranches, new and beginning farmers and ranchers, underserved producers, veteran producers, and underserved communities.

Through the program and in addition to the Infrastructure Grant funding, the Kentucky Department of Agriculture will support supply chain coordination and technical assistance to farmers and food businesses operating in processing, aggregation and distribution—all critical activities to support access to more and better markets for farmers.

For more information, visit the AMS [Resilient Food Systems Infrastructure webpage](#).

Farm Loans and Farm Programs Interest Rates

Selected Interest Rates for February 2024



Farm Loan Programs

90-Day Treasury Bill	5.500%
Farm Operating Loans - Direct	5.125%
Farm Ownership Loans - Direct	5.375%
Limited Resource Loans	5.000%
Farm Ownership Loans - Direct FO Down Payment	1.875%
Emergency Loans	3.750%



Farm Programs

Farm Storage Facility Loans	3 Year	4.125%
	5 Year	3.875%
	7 Year	4.000%
	10 Year	4.000%
	12 Year	4.000%
Commodity Loans		5.750%
CCC Borrowing Rate		4.750%

Farm Loans and Farm Programs Interest Rates

- See our [2024 Kentucky Guaranteed Lender Newsletter](#)
- See our [USDA Farm Service Agency Annual Program and Policy Reminders - March 2023](#).

Kentucky FSA State Office

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Contact [your local USDA Service Center](#).

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).