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State Executive Director Comments



Happy fall to everyone who is appreciative of the wave of cooler weather across Minnesota. We're still thinking about those of you who have been harvesting or are headed into harvest with a lot less moisture than you need. Minnesota FSA has been managing our drought disaster declarations across the state, which include 17 drought disaster designations impacting 68 counties. Nearly all of Minnesota is impacted by drought according to the U.S. Drought Monitor as of September 14, 2023.

We know that portions of Minnesota recently moved into the D4 Exceptional Drought category on the National Drought Monitor, so please be in contact with your local office to see what assistance may be available.

It was great to have Secretary of Agriculture Tom Vilsack join us this year at the Minnesota State Fair! He visited with Princess Kay of the Milky Way, many farm families, and leaders in Minnesota FFA and Minnesota 4H. It was an honor to get to showcase Minnesota agriculture at the best state fair in the country! I know many of you, including members of our FSA staff, are very involved in the Minnesota State Fair and your county fairs. We appreciate all the hours of work you put in to highlight agriculture and to provide opportunities for youth education across the state.

Happy 70th birthday to Minnesota Farm Business Management (FBM)! Farm Business Management, which began in Minnesota in 1953, celebrated its 70th year last week. FBM instructors work one-on-one with farmer students to meet their business and personal goals. FBM is a close partner of Minnesota FSA, and we are lucky to have such a strong resource for farmers here in our state. If you are a farmer who is interested in FBM assistance, you can find an instructor near you [here](#). There are also scholarships available for [beginning farmers](#) and farmers in the [MN Ag Water Quality Certification Program](#).

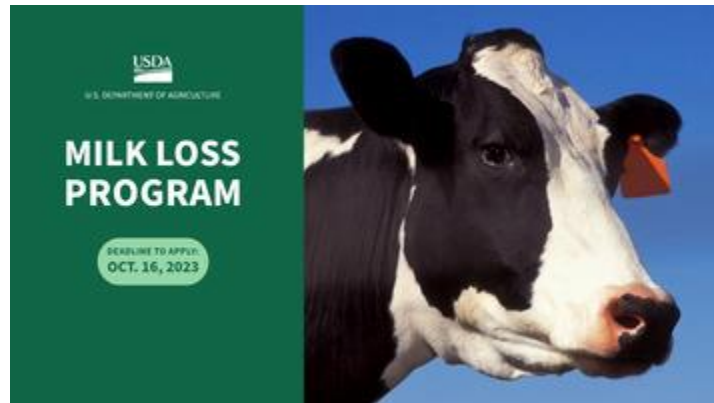
USDA has announced the [Milk Loss Program](#) sign up, which will provide assistance for milk that was dumped or removed from the commercial milk market for qualifying weather events in 2020, 2021, and 2022. This is part of the Extending Government Funding and Delivering Emergency Assistance Act that was signed in December of 2022. We hope that this will provide some reprieve for Minnesota dairy farmers, who on top of tough milk prices, have been faced with loss in markets across Minnesota. The deadline to sign up is October 16, 2023.

September 17-23 is National Farm Safety and Health Week with a theme of "No One Can Take Your Place." As harvest continues across the state, please make sure to keep farm safety top of mind for you and anyone working on your farm. We have a great partnership with the [Upper Midwest Agricultural Safety and Health Center](#), which has lots of resources that can help with both physical and mental health safety on the farm.

All the best to you this harvest season!

Respectfully,

Whitney Place, State Executive Director



USDA Announces Milk Loss Assistance for Dairy Operations Impacted by 2020, 2021 and 2022 Disaster Events

USDA announced Milk Loss Program (MLP) assistance for eligible dairy operations for milk that was dumped or removed, without compensation, from the commercial milk market due to qualifying weather events and the consequences of those weather events that inhibited delivery or storage of milk (e.g., power outages, impassable roads, infrastructure losses, etc.) during calendar years 2020, 2021 and 2022. Administered by the Farm Service Agency (FSA), signup for MLP begins Sept. 11 and runs through Oct. 16, 2023.

Background

On Dec. 29, 2022, President Biden signed into law the *Extending Government Funding and Delivering Emergency Assistance Act* (P.L. 117-43), providing \$10 billion for crop losses, including milk losses due to qualifying disaster events that occurred in calendar years 2020 and 2021. Additionally, the *Disaster Relief Supplemental Appropriations Act, 2023* (Pub. L. 117-328) provides approximately \$3 billion for disaster assistance for similar losses that occurred in calendar year 2022.

Eligibility

MLP compensates dairy operations for milk dumped or removed without compensation from the commercial milk market due to qualifying disaster events, including droughts, wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), and smoke exposure that occurred in the 2020, 2021 and 2022 calendar years. Tornadoes are considered a qualifying disaster event for calendar year 2022 only.

The milk loss claim period is each calendar month that milk was dumped or removed from the commercial market. Each MLP application covers the loss in a single calendar month. Milk

loss that occurs in more than one calendar month due to the same qualifying weather event requires a separate application for each month.

The days that are eligible for assistance begin on the date the milk was removed or dumped and for concurrent days milk was removed or dumped. Once the dairy operation restarts milk marketing, the dairy operation is ineligible for assistance unless after restarting commercial milk marketing, additional milk is dumped due to the same qualifying disaster event. The duration of yearly claims is limited to 30 days per year for 2020, 2021 and 2022.

How to Apply

To apply for MLP, producers must submit:

- FSA-376, *Milk Loss Program Application*
- Milk marketing statement from the:
 - Month prior to the month milk was removed or dumped.
 - Affected month.
- Detailed written statement of milk removal circumstances, including the weather event type and geographic scope, what transportation limitations occurred and any information on what was done with the removed milk.
- Any other information required by the regulation.

If not previously filed with FSA, applicants must also submit all the following items within 60 days of the MLP application deadline:

- Form AD-2047, *Customer Data Worksheet*.
- Form CCC-902, *Farm Operating Plan* for an individual or legal entity.
- Form CCC-901, *Member Information for Legal Entities* (if applicable).
- Form FSA-510, *Request for an Exception to the \$125,000 Payment Limitation for Certain Programs* (if applicable).
- Form CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, (if applicable).
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 *Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification*) for the MLP producer and applicable affiliates.

Most producers, especially those who have previously participated in FSA programs, will likely have these required forms already on file. However, those who are uncertain or want to confirm the status of their forms can contact their local [FSA county office](#).

MLP Payment Calculation

The final MLP payment is determined by factoring the MLP payment calculation by the applicable MLP payment percentage.

The calculation for determining MLP payment is:

- $((\text{Base period per cow average daily milk production} \times \text{the number of milking cows in a claim period} \times \text{the number of days milk was removed or dumped in a claim period}) \div 100) \times \text{pay price per hundredweight (cwt.)}$.

For MLP payment calculations, the milk loss base period is the first full month of production before the dumping or removal occurred.

The MLP payment percentage will be 90% for underserved producers, including socially disadvantaged, beginning, limited resource, and veteran farmers and ranchers and 75% for all other producers.

To qualify for the higher payment percentage, eligible producers must have a CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, form on file with FSA for the 2022 program year.

Adjusted Gross Income (AGI) limitations do not apply to MLP, however the payment limitation for MLP is determined by the person's or legal entity's average adjusted gross farm income (income derived from farming, ranching and forestry operations). Specifically, a person or legal entity, other than a joint venture or general partnership, cannot receive, directly or indirectly, more than \$125,000 in payments under MLP if their average adjusted gross farm income is less than 75% of their average AGI or more than \$250,000 if their adjusted gross farm income is at least 75% of their average AGI.

More Information

In other FSA dairy safety-net support, [Dairy Margin Coverage \(DMC\)](#) program payments have triggered every month, January through July, for producers who obtained coverage for the 2023 program year. July 2023's income over feed margin of \$3.52 per hundredweight (cwt.) is the lowest margin since DMC program benefits to dairy producers started in 2019. To date, FSA has paid more than \$1 billion in DMC benefits to covered dairy producers for the 2023 program year.

Additionally, FSA closed the [Organic Dairy Marketing Assistance Program \(ODMAP\)](#) application period on Aug. 11.

On farmers.gov, the [Disaster Assistance Discovery Tool](#), [Disaster Assistance-at-a-Glance fact sheet](#) and [Loan Assistance Tool](#) can help producers and landowners determine program or loan options. For assistance with a crop insurance claim, producers and landowners should contact their [crop insurance agent](#). For FSA and NRCS programs, they should contact their local [USDA Service Center](#).

Disaster Assistance Available for Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to you for livestock deaths in excess of normal mortality caused by adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

For disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

For 2023 livestock losses, you must file a notice within 30 calendar days of when the loss is first apparent. You then must provide the following supporting documentation to your local FSA office no later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of grower's contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 250 pounds) = 5%. These established percentages reflect losses that are considered expected or typical under "normal" conditions.

In addition to filing a notice of loss, you must also submit an application for payment by March 1, 2024.

For more information, contact your local USDA Service Center or visit fsa.usda.gov.

Linkage Requirements for Payments Received Under WHIP+ and/or QLA

If you received a payment under the Wildfires and Hurricanes Indemnity Program+ (WHIP+) or the Quality Loss Adjustment Program (QLA) for crop production and/or quality losses occurring in 2018, 2019, or 2020 crop years, you are required to meet linkage requirements by obtaining federal crop insurance or Non-Insured Crop Disaster Assistance Program (NAP) coverage at the 60/100 level, or higher, for both the 2022 and 2023 crop years.



When applying for WHIP+ or QLA, form FSA-895 (Crop Insurance and/or NAP Coverage Agreement) was submitted acknowledging the requirement to obtain federal crop insurance, if available, or NAP coverage if federal crop insurance is not available. The coverage requirement is applicable to the physical location county of the crop that received WHIP+ and/or QLA benefits.

Producers should not delay contacting their federal crop insurance agent or local county FSA Office to inquire about coverage options, as **failure to obtain the applicable coverage by the sales/application closing date will result in the required refund of WHIP+ benefits received on the applicable crop, plus interest.** You can determine if crops are eligible for federal crop insurance or NAP by [visiting the RMA website](#).

For more information, contact your local USDA Service Center or visit fsa.usda.gov.

Applying for Farm Storage Facility Loans

The Farm Service Agency's (FSA) Farm Storage Facility Loan (FSFL) program provides low-interest financing to help you build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

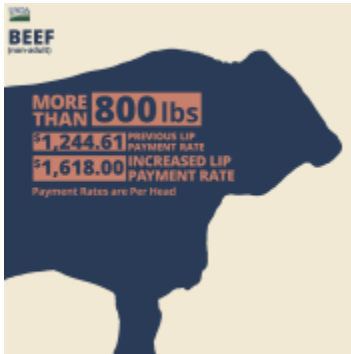
Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$100,000 can be secured by a promissory note/security agreement, and loans exceeding \$100,000 require additional security.

You do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

For more information, contact your local USDA Service Center or visit fsa.usda.gov/pricesupport.

USDA Updates Livestock Disaster Payment Rate to Assist Producers Hard-Hit by Heat and Humidity



The USDA's Farm Service Agency (FSA) announced it is updating the [Livestock Indemnity Program \(LIP\)](#) payment rate to support livestock producers in the Midwest who have lost cattle to the extreme heat and humidity experienced this summer. To help indemnify ranchers to reflect a trend towards higher cattle weights in feedlots, the 2023 LIP payment rate for beef calves over 800 pounds will increase from \$1244 per head to \$1618, an increase of \$374.

LIP provides benefits to livestock owners and some contract growers for livestock deaths exceeding normal mortality from eligible adverse weather events, certain predation losses and reduced sales prices due to injury from an eligible loss. Indemnity payments are made at a rate of 75% of the prior year's average fair market value of the livestock.

The updated LIP payment rate is effective immediately and will be applied retroactively starting Jan.1, 2023, for all eligible causes of loss including excessive heat, tornado, winter storms, and other qualifying adverse weather. Producers who have already received LIP payments for 2023 losses will receive an additional payment, if applicable, commensurate with this updated rate. For details on eligibility and payment rates, review the [LIP fact sheet](#).

FSA recognizes that an annual update of LIP payment rates does not account for the volatile nature of livestock markets and is further exploring flexibilities to establish more current payment rates.

More Information

On [farmers.gov](#), [Disaster Assistance Discovery Tool](#), [Disaster Assistance-at-a-Glance fact sheet](#), and [Loan Assistance Tool](#) can help producers and landowners determine program or loan options. For FSA and NRCS programs, they should contact their [local USDA Service Center](#).

USDA Offers Drought Impacted Minnesota 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 or visit fsa.usda.gov/disaster.

FSA Outlines MAL and LDP Policy

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide you with interim financing after harvest to help you meet cash flow needs without having to sell your commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 2023 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

To be considered eligible for an LDP, you must have form [CCC-633EZ](#), Page 1 on file at your local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Marketing loan gains (MLGs) and loan deficiency payments (LDPs) are no longer subject to payment limitations, actively engaged in farming and cash-rent tenant rules.

Adjusted Gross Income (AGI) provisions state that if your total applicable three-year average AGI exceeds \$900,000, then you're not eligible to receive an MLG or LDP. You must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

For more information and additional eligibility requirements, contact your local USDA Service Center or visit fsa.usda.gov.



Financial Assistance Application Process Opens for USDA Farm Loan Borrowers Who Have Faced Discrimination

USDA announced the opening of the financial assistance application process for eligible farmers, ranchers, and forest landowners who experienced discrimination in USDA farm lending programs prior to January 2021. Section 22007 of the Inflation Reduction Act (IRA) directs USDA to provide this assistance. Since the law's passage, USDA has worked diligently to design the program in accordance with significant stakeholder input.

The program website, 22007apply.gov, is now open. The website includes an English- and Spanish-language application that applicants can download or submit via an e-filing portal, information on how to obtain technical assistance in-person or virtually, and additional resources and details about the program.

Farmers, ranchers, and forest landowners who experienced discrimination by USDA in its farm loan programs prior to January 1, 2021 and/or are currently debtors with assigned or assumed USDA farm loan debt that was the subject of USDA discrimination that occurred prior to January 1, 2021, are eligible for this program.


To apply, borrowers have the option to apply via the e-filing portal at 22007apply.gov or submit paper-based forms via mail or in-person delivery to the program's local offices. The application process closes October 31, 2023. Under the planned timeline, applications will be reviewed in November and December, with payments reaching recipients soon thereafter. Importantly, applicants should know that the application process is not on a first come, first served, basis. All applications received or postmarked before the October 31 deadline will be considered.

To support producers throughout the application process, USDA is ensuring that organizations with extensive experience conducting outreach to farm organizations are able to support individuals who may be eligible for the program. These groups include [AgrAbility](#), [Farmer Veteran Coalition](#), [Farmers' Legal Action Group](#), [Federation of Southern Cooperatives](#), [Intertribal Agriculture Council](#), [Land Loss Prevention Program](#), [National Young Farmers Coalition](#), and [Rural Coalition](#).

Vendors operating four regional hubs are also providing technical assistance and working closely with these and other community-based organizations to conduct outreach using digital and grassroots strategies, to ensure potential applicants are informed about the program and have the opportunity to apply. These hubs are operating a network of brick-and-mortar program offices and will conduct extensive outreach about the program. Windsor Group serves farmers in the eastern regions of the U.S. and Analytic Acquisitions serves the western regions. A national administrator, Midtown Group, is responsible for program oversight and integrity, and will lead a national call-center, operate the application website - 22007apply.gov, which is now open – and review and process applications and payments. All vendors have experience in professional services, supporting government contracts, and complex program operations.

In standing up this program, USDA has become aware of some lawyers and groups spreading misleading information about the discrimination assistance process, pressuring people to sign retainer agreements, and asking people to fill out forms with private and sensitive information. As of today, the official application process has begun and filling out an application is free.

No attorneys' fees will be paid to applicants or their counsel by USDA or by any other agency or department of the United States. The amount of financial assistance will not be increased for those claimants who are represented by an attorney. Applicants are not required to retain an attorney. USDA, the national administrator, and the regional hub vendors will neither recommend that any applicant retain counsel or retain a specific attorney or law firm, nor discourage an applicant from obtaining counsel or using a specific attorney or law firm.



Change to Policy on Filing a Notice of Loss for Grazed Forage Producers with NAP Coverage



For the 2023 crop year, NAP forage producers with the intended use of grazing who elect to use independent assessments or other approved alternative loss percentage methods to establish their loss are no longer required to file a CCC-576 Notice of Loss with FSA. However, a CCC-576 Application for Payment form must be submitted to FSA no later than 60 calendar days after the coverage period ends. If an independent assessment is used to determine the loss, producers have 180 days to file an application for payment.

Producers that elect to have the grazing loss determined using similar mechanically harvested units still must timely file a CCC-576 Notice of Loss within 15 days of the disaster event or damage to the crop first becomes apparent or within 15 days of harvest.

Linkage Requirements for Payments Received Under Phase 1 ERP

If you received a payment under the Emergency Relief Program (ERP) for crop production losses occurring in 2020, 2021, or 2022 calendar years due to qualifying events occurring in calendar years 2020 or 2021, you are required to purchase crop insurance or NAP, as may be applicable for the crop, at a coverage level equal to or greater than 60 percent for insurable crops (60/100); or at the catastrophic level (50/55) or higher for NAP crops, for the next two available crop years. You can determine if crops are eligible for federal crop insurance or NAP by [visiting the RMA website](#).

Keeping Livestock Inventory Records



Livestock inventory records are necessary in the event of a natural disaster, so remember to keep them updated.

When disasters strike, the USDA Farm Service Agency (FSA) can help you if you've suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, you'll be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to your local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, you must submit a notice of loss to your local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

You should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts.

For more information on documentation requirements, contact your local USDA Service Center or visit fsa.usda.gov.

USDA To Provide Additional Financial Assistance to Qualifying Guaranteed Farm Loan Borrowers Facing Financial Risk

The USDA announced it will begin providing additional, automatic financial assistance for qualifying guaranteed Farm Loan Programs (FLP) borrowers who are facing financial risk. The announcement is part of the \$3.1 billion to help certain distressed farm loan borrowers that was provided through Section 22006 of the Inflation Reduction Act.

Since the Inflation Reduction Act was signed into law by President Biden in August 2022, USDA has provided approximately \$1.15 billion in assistance to more than 20,000 distressed borrowers as a part of an ongoing effort to keep borrowers farming, remove obstacles that currently prevent many borrowers from returning to their land, and improve the way that USDA approaches borrowing and loan servicing in the long-term. The financial assistance announced today will provide qualifying distressed guaranteed loan borrowers with financial assistance similar to what was already provided to distressed direct loan borrowers. Based on current analysis, the financial assistance announced today will assist an estimated approximately 3,500 eligible borrowers, subject to change as payments are finalized.

An FLP guaranteed loan borrower is distressed if they qualify under one of the options below. FLP guaranteed borrowers who qualify under multiple options will receive a payment based on the option that provides the greatest payment amount:



Payment of any outstanding delinquency on all qualifying FLP guaranteed loans as of Oct. 18, 2022. This includes any guaranteed loan borrowers who did not receive an automatic payment in 2022 on that loan because they were not yet 60 days delinquent as of Sept. 30, 2022, as well as guaranteed borrowers that became delinquent on a qualifying FLP guaranteed loan between September 30, 2022, and Oct. 18, 2022.

Payment on a qualifying FLP guaranteed loan for which a guaranteed loan borrower received a loan restructure, which modified the guaranteed loan maturity date, between March 1, 2020, and Aug. 11, 2023. The payment amount will be the lesser of the post-restructure annual installment or the amount required to pay the loan in full. The guaranteed loan must not have been paid in full prior to Aug. 11, 2023.

Payments on certain deferred amounts on qualifying FLP guaranteed loans, not to exceed \$100,000, for guaranteed borrowers who received a deferral or another type of payment extension, for at least 45 days, between March 1, 2020, and Sept. 30, 2022, from their guaranteed lender on that qualifying guaranteed loan in response to COVID-19, disasters, or other revenue shortfalls. The Inflation Reduction Act payment amount will be the lesser of the most recent deferral or extension amount on the qualifying FLP guaranteed loan, or the amount required to pay that loan in full. The guaranteed loan must not have been paid in full prior to Aug. 11, 2023.

This assistance is only available for FLP guaranteed loan borrowers who did not or will not receive an initial payment on the same FLP guaranteed loan under Inflation Reduction Act assistance announced in October 2022.

Distressed guaranteed borrowers qualifying for this assistance will receive a United States Department of the Treasury check that is jointly payable to the borrower and the lender. These borrowers will also receive a letter from FSA informing them of Inflation Reduction Act assistance they will receive as well as instructions to make an appointment with their lender to process the payment and apply it to their qualifying guaranteed loan accounts. Guaranteed lenders will receive an email in the coming days informing them of this assistance and any next steps. Lenders will also receive letters informing them which borrowers will receive assistance and the amount of assistance they will receive.

Any distressed guaranteed borrowers who qualify for these forms of assistance and are currently in bankruptcy will be addressed using the same case-by-case review process announced in October 2022 for complex cases.

FSA will also provide relief to qualifying FLP guaranteed loan borrowers determined to be distressed borrowers based on liability for remaining federal debt subject to debt collection and garnishment after the liquidation of their guaranteed loan account as of July 31, 2023. This will allow some borrowers to potentially return to farming. Guaranteed borrowers who qualify for this assistance will have their federal debt paid automatically by FSA and will receive a letter informing them of the payment made on their federal debt. All letters to qualifying guaranteed loan borrowers will contain instructions for opting out of assistance if a borrower chooses to do so.

Important Tax Information



Similar to other USDA Inflation Reduction Act assistance, payments provided to borrowers and payments to be applied to FSA farm loan accounts will be reported to the Internal Revenue Service (IRS). Borrowers receiving this assistance will receive a 1099 form from FSA. Please note that payments over \$600 are subject to Federal and State Income Taxes and will be reflected on your annual 1099 form. Borrowers are encouraged to consult a tax professional with all tax-related questions regarding any Inflation Reduction Act assistance received. USDA also has tax-related resources at farmers.gov/taxes.

Individual Requests for Farmers Seeking Assistance

In addition to the automatic payments announced today for distressed guaranteed loan borrowers, FSA continues to accept and review individual distressed borrower assistance requests from direct loan borrowers who missed a recent installment or are unable to make their next scheduled installment on a qualifying direct FLP loan. All FSA direct borrowers should have received a [letter](#) detailing the eligibility criteria and process for seeking this type of assistance, which is available even before they become delinquent. As the letter details, borrowers who are within two months of their next installment may seek a cash flow analysis from FSA using a recent balance sheet and operating plan to determine their eligibility.

FSA direct borrowers also received a [letter](#) detailing an opportunity to receive assistance if they took certain extraordinary measures to avoid delinquency on their qualifying direct FLP loans, such as taking on or refinancing more debt, selling property, or cashing out retirement or college savings accounts.

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](https://farmers.gov/loans/inflation-reduction-investments/assistance) at farmers.gov/loans/inflation-reduction-investments/assistance. All requests for assistance must be received by Dec. 31, 2023.

Report Banking Changes to FSA

Farm Service Agency (FSA) program payments are issued electronically into your bank account. In order to receive timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for any reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.



For some programs, payments are not made until the following year. For example, payments for crop year 2019 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2020. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

Minnesota USDA Farm Service Agency

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**Minnesota Farm
Service Agency
State Executive
Director:**
Whitney Place

To find contact information for your local USDA Farm Service Agency Office go to: www.fsa.usda.gov/mn

Division Leaders:
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Lee Crawford
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Glenn Schafer

Minnesota State Committee:
Eunice Biel, Committee Chairperson
Hannah Bernhardt, Committee Member
Kurt Blomgren, Committee Member
Lisa Brunner, Committee Member
Tim Velde, Committee Member

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