



U.S. DEPARTMENT OF AGRICULTURE

Rhode Island USDA Service Center Newsletter - March 2022

[Farm Service Agency](#) | [Natural Resources Conservation Service](#) | [Risk Management Agency](#)

## Message from Acting Farm Service Agency State Executive Director Matt Richter

Hello Rhode Islanders,

Although spring is not quite here yet, I'm sure everyone is already deep in making planting decisions and getting ready for spring. I'm hoping for good weather in the next few months with just enough rain to have a respectable start to the season.

Tom Sproul the Agricultural Economist at the University of Rhode Island is looking for your help. He conducts short studies to show the importance of Rhode Island agriculture to try to improve state funding. Below is a short message from him:

Today we are launching a follow-up study to my 2012 and 2015 studies of the economic impacts of Rhode Island agriculture and related sectors.

<https://riepr.org/s/rifarms>

### What It Is

The survey asks for estimates of gross sales and jobs going back to 2018. You do not need to get out your tax records to answer the questions. Completing the survey should take less than five minutes and all data are kept completely confidential.

Only statistical summaries are shared with state agencies and non-profits after the study is complete. We have a track-record 10+ years of not disclosing any company data shared in these surveys. We take data privacy seriously -- you can even change your mind and have us erase your data if you choose later not to participate. **Why You Should Participate** My past studies (all available on <https://riepr.org>) were critical in establishing how bad the Federal data have been in measuring the importance of RI agriculture. For example, we found RI agriculture was 4x the USDA estimated gross sales and that RI farms are part of an industry complex that generates over \$2 billion per year in the state. These studies were also helpful when the 2017 USDA Ag Census indicated a large drop in RI agriculture that didn't match what we observed on the ground. My hope is that this new study can maintain our trajectory of strong support for state agriculture programs to keep Rhode Island farms growing! Best wishes, Tom

Tom's questions are shorter than the USDA National Agricultural Statistics Service (NASS) studies that you are familiar with. NASS studies are also important to inform DC and Congress on how important agriculture is to Rhode Island. One of the most important surveys conducted

by the USDA National Agricultural Statistics Service (NASS) is the June Area Survey (JAS). In addition to the JAS, the Agricultural Coverage Evaluation Survey (ACES) will also be conducted this year in preparation for the 2022 Census of Agriculture. Although I know that you are busy during this period please find the time to fill out these studies. By having more producers fill them out we can increase funding for our programs at both the state and national level.

We are in the office and available for a visit. If you need help applying for our programs or need assistance filling out forms feel free to come in and see us. As always, we are here to help our Rhode Island producers. Hope to see you soon.

Matt Richter

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## Cover Crops Play a Starring Role in Climate Change Mitigation

On your own land, you've probably seen evidence that climate change is happening – things like extreme weather events or changes in growing seasons over the years. America's rural communities are on the frontlines of climate change, and now is the time for agriculture, forestry, and rural communities to act.



There are various ways to help mitigate the effects of climate change on your land and improve your bottom line at the same time. One very effective way is by planting cover crops.

Cover crops offer agricultural producers a natural and inexpensive climate solution through their ability to capture atmospheric carbon dioxide (CO<sup>2</sup>) into soils. But cover crops don't just remove CO<sup>2</sup> from the atmosphere, they also help make your soil healthier and your crops more resilient to a changing climate.

Healthy soil has better water infiltration and water holding capacity and is less susceptible to erosion from wind and water.

Cover crops also trap excess nitrogen – keeping it from leaching into groundwater or running off into surface water – releasing it later to feed growing crops. This saves you money on inputs like water and fertilizer and makes your crops more able to survive in harsh conditions.

### USDA's Cover Crop Support

During the past year, USDA has made a number of strides to encourage use of cover crops. Earlier this month, USDA's Natural Resources Conservation Service (NRCS) formed a [new partnership with Farmers For Soil Health](#). We also launched a new Cover Crop Initiative in 11 states through the Environmental Quality Incentives Program (EQIP), targeted \$38 million to help producers mitigate climate change through adoption of cover crops.

In fiscal 2021, NRCS provided technical and financial assistance to help producers plant 2.3 million acres of cover crops through EQIP.

We've also recognized the importance of supporting cover crops through crop insurance. USDA's Risk Management Agency (RMA) recently provided \$59.5 million in premium support for producers who planted cover crops on 12.2 million acres through the new [Pandemic Cover Crop Program](#). Additionally, RMA recently updated policy to allow producers with crop insurance to [hay, graze or chop cover crops](#) at any time and still receive 100% of the prevented planting payment. This policy change supports use of cover crops, which can help producers build resilience to drought. [Visit RMA's Conservation webpage to learn more.](#)

Working together, we can lead the way through climate-smart solutions that will improve the profitability and resilience of producers and foresters, open new market opportunities, and build wealth that stays in rural communities. Our support for cover crops are part of a much broader effort at USDA to address climate change. To learn more, read [USDA's January 18, 2022 news release](#).

Cover crops are not only good for rural communities, but also for urban areas. Late last year, the [NRCS National Plant Materials Center planted cover crops](#) in the urban garden in front of USDA's Washington, D.C. Headquarters. See how cover crops are also great for the urban farmer or backyard gardener.

To learn more, visit [farmers.gov/conserve/soil-health](https://farmers.gov/conserve/soil-health), watch our Conservation at Work video on cover crops, or contact your local [USDA Service Center](#).

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## 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](http://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](http://farmers.gov/loans) or [fsa.usda.gov/farmloans](http://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](http://farmers.gov/loans/farm-loan-discovery-tool).

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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 2022 crop year have until March 15, 2022, to sign 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.

Producers can elect coverage and enroll in ARC-County or PLC, which are both crop-by-crop, or ARC-Individual, which is for the entire farm. Although election changes for 2022 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm

and makes an election change for 2022, it will be necessary to sign a new contract.

If an election is not submitted by the March 15, 2022, deadline, the election remains the same as the 2021 election for crops on the farm. Farm owners cannot enroll in either program unless they have a share interest in the crop.

Producers have completed 976,249 contracts to date, representing 54% of the more than 1.8 million expected contracts.

Producers who do not complete enrollment by the deadline will not be enrolled in ARC or PLC for the 2022 crop 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 that allows producers to estimate payments and yield updates and expected payments for 2022.

## 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, 2022, to make the appropriate changes or cancel their ARC or PLC contract.

### **More Information**

In addition to the March 15 deadline for ARC and PLC, other important deadlines include:

- March 1, [Livestock Indemnity Program](#)
- March 11, [Conservation Reserve Program General Signup](#)
- March 15, [Pandemic Cover Crop Program](#)
- March 25, [Dairy Margin Coverage](#)

For more information on ARC and PLC, producers can visit the [ARC and PLC webpage](#) or contact their local USDA Service Center. In those service centers where COVID cases exceed safety levels, staff continue to work with agricultural producers via phone, email and other digital tools. Producers with [level 2 eauthentication access](#) can electronically sign contracts or may make arrangements to drop off signed contracts at the FSA county office. Because of the pandemic, some [USDA Service Centers](#) are open to limited visitors.

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## **What's New and Improved for Specialty Crop Producers?**

Does your operation include specialty crops? Whether you grow fruits, vegetables, tree nuts, dried fruits, horticulture, or nursery crops - USDA is here for you.

Over the past year, USDA has stepped up our support of specialty crop producers and local and regional food systems. USDA believes specialty crop producers are integral to the food system of the future, and we are working to improve available options for specialty crop producers as well as ensure equity in program delivery.

### **What's New?**

The Risk Management Agency (RMA) rolled out a new insurance option for small-scale producers who sell locally, which is named **Micro Farm**. This new insurance coverage

option simplifies record keeping and covers post-production costs, such as washing and value-added products. It is available now, and you can learn more from an Approved Insurance Provider or your [RMA specialty crop liaison](#).

In addition to Micro Farm, RMA rolled out other new insurance options in the past year, including: **California Citrus Trees, Florida Citrus, Production and Revenue History option for Florida strawberries, and Hurricane Insurance Protection-Wind Index (HIP-WI)**. These new options either fill gaps in coverage or offer advantages over other policies. Since 2020, producers weathered several major hurricanes. The new HIP-WI played a crucial role in recovery with more than \$250 million in indemnities paid so far with most payments issued in a matter of weeks following a hurricane.

[Interest in growing and insuring specialty crops](#) has grown significantly with \$1 billion in liabilities for 1990 to \$22 billion in liabilities for 2021. ([For more details, check out reports on our Specialty Crops webpage.](#))

The Farm Service Agency (FSA) also offered pandemic assistance for organic producers. The new [Organic and Transitional Education and Certification Program](#) (OTECP) provided assistance to help cover loss of markets, increased costs, labor shortages and expenses related to obtaining or renewing their organic certification.

### **What's Improved?**

In the past year, RMA made improvements to existing policies -- including [Whole-Farm Revenue Protection](#), a key insurance option for specialty crop producers. Beginning in the 2021 crop year, direct market producers could report two or more commodities using a new combined direct marketing code.

This reduced a tremendous burden for diversified producers and allowed them to receive a premium rate discount for diversification. For 2022, RMA increased coverage for organic and aquaculture producers and enabled organic producers to report certified organic acreage as long as the request for certification had been made by the reporting date, which provides additional flexibility to producers.

### **Want to Learn More?**

These new and improved options for specialty crop producers are but a few of USDA's strides over the past year to build a fairer, more transparent food system rooted in local and regional production. To learn more, please read [USDA's January 19, 2022, news release](#).

For crop insurance, visit [RMA's Specialty Crops webpage](#) or [contact your specialty crop liaison](#).

Also, if there is not a standard offer for the crop you would like insured, you may still be able to get a written agreement for coverage. RMA Regional Offices review these requests to help provide coverage. These requests also provide Regional Offices the opportunity to review the possible expansion of the policy to your county.

Lastly, you can read our [Specialty Crops webpage on farmers.gov](#) and [question-and-answer with two specialty crop liaisons](#), Adrienne Steinacher and Matt Wilkin.



## Rhode Island USDA

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RI NRCS Field Office:	401-828-1300
RI FSA State Office:	401-828-3120 Option 1
RI FSA County Office:	401-828-3120 Option 2
RI FSA Farm Loan Team:	401-828-3120 Option 3
Risk Management Agency:	919-875-4880

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