USDA Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

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Milk Loss Program Deadline Extension

The U.S Department of Agriculture (USDA) is extending the application deadline for the Milk Loss Program (MLP) to Monday, Oct. 30, 2023, allowing more time for eligible dairy farmers to apply for much-needed, weather-related disaster recovery assistance.

Administered by USDA's Farm Service Agency (FSA), MLP compensates dairy producers who, because of qualifying weather events, dumped or removed milk without compensation from the commercial milk market in calendar years 2020, 2021 and 2022. Eligible causes of loss also include consequences of these weather events, such as power outages, impassable roads and infrastructure losses. FSA opened MLP enrollment on Sept. 11, 2023; the original MLP deadline was Oct. 16, 2023.

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 (HELC) 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. But those who are uncertain or want to confirm the status of their forms can contact FSA at their local USDA Service Center.

For more information on eligibility and payments, view the MLP fact sheet.

USDA Announces 2024 Tribal Scholarships and Fellowships

The U.S. Department of Agriculture (USDA) has announced two tribal higher education opportunities to train the next generation of agricultural professionals and strengthen ties with tribal higher education institutions. The USDA 1994 Tribal Scholars Program offers a fast-track career path with USDA, and the Terra Preta do Indio Tribal Faculty Fellowship engages tribal college faculty with USDA resources and research. These programs reflect USDA's commitment to advance equity and remove barriers to service for tribal nations and encourage tribal workforce development. Today's announcement also marks the 29th anniversary of the day legislation was signed to give tribal colleges land-grant status.

Read the full USDA announcement

USDA’s Conservation Reserve Program Pays More Than $1.77 Billion to America’s Producers in Support of Conservation and Climate-Smart Agriculture

The U.S. Department of Agriculture (USDA) has issued more than $1.77 billion this year to agricultural producers and landowners through its Conservation Reserve Program (CRP), a critical piece of the Department’s efforts to support climate-smart agriculture and forestry on working lands. This year, CRP’s more than 667,000 participants received payments from USDA’s Farm Service Agency (FSA) for their voluntary conservation efforts on more than 23 million acres of private land. Since 2021, CRP has grown by 21% in terms of acres enrolled, testament to the Biden-Harris administration’s program improvement efforts.

Top five states for CRP participant payments:

- Iowa, $402,508,900
- Illinois, $172,723,800
- Minnesota, $150,773,400
- South Dakota, $129,545,200
- Missouri, $99,849,600

Improvements to CRP

Since 2021, FSA has made improvements to the program:

- **Introducing a new climate-smart practice incentive** for CRP general and continuous signups designed to reward participants who implement conservation practices that increase carbon sequestration and reduce greenhouse gas emissions.
- **Enabling additional soil rental rate adjustments** or rate flexibilities, including a possible increase in rates where appropriate.
- **Increasing payments for practice incentives** from 20% to 50%. This incentive, in addition to cost share payments, for continuous CRP practices is based on establishment cost.
- **Increasing payments for water quality practices rates** from 10% to 20% for certain water quality benefiting practices available through the CRP continuous signup, such as grassed waterways, riparian buffers and filter strips.
- **Establishing a Grassland CRP minimum rental rate** benefitting more than 1,000 counties with rates currently below the $13 minimum.

Additionally, FSA made significant improvements to the Conservation Reserve Enhancement Program (CREP) that reduce barriers by making the partnership program more accessible to a broader cross-section of agricultural producers and new conservation partners. These program improvements include the flexibility for partners to provide matching funds in the form of cash, in-kind contributions, or technical assistance and the ability for FSA to invest in additional, full-time staff devoted to working directly with our CREP partners and program specialists in FSA’s state offices.

Since 2021, FSA has also entered into the first-ever Tribal Nations CREP agreements in partnership with the Cheyenne River, Rosebud, and Oglala Sioux Tribes. And in 2022, USDA entered into the Big Sioux River Watershed CREP agreement with the South Dakota

Department of Game, Fish & Parks to assist farmers, ranchers and agricultural landowners to improve water quality, reduce soil erosion, enhance wildlife habitat, and create public hunting and fishing access. These CREP agreements reflect priorities and goals of USDA to broaden the scope and reach of its voluntary, incentive-based conservation programs to engage underserved producers.

FSA's conservation programs had a strong showing in 2023. FSA partnered with producers and landowners to enroll 3.9 million CRP this year –including 927,000 enrolled acres through General CRP, 2.3 million acres enrolled in Grassland CRP and 694,000 acres enrolled in Continuous CRP. These results underscore the continued importance of CRP as a tool to help producers invest in the long-term health, sustainability, and profitability of their land and natural resources.

More Information

CRP is a voluntary program contract with agricultural producers through which environmentally sensitive agricultural land is devoted to conservation benefits. CRP participants establish long-term, resource-conserving plant species, such as approved grasses or trees to control soil erosion, improve water quality and develop wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

To learn more about CRP and other FSA programs, producers can contact their local USDA Service Center.

Inflation Reduction Act Section 22007 – Discrimination Financial Assistance Program

On July 7, USDA and its partner vendors announced the opening of the application period for Section 22007 of the Inflation Reduction Act (IRA), which directs USDA to provide financial assistance to farmers, ranchers, and forest landowners who experienced discrimination in USDA farm lending programs prior to January 2021. The opening of the application process is an important step in delivering on USDA's commitment of providing financial assistance to those who have faced discrimination in USDA farm lending programs. The application process is open now and will close on October 31. Borrowers will have the option to apply for assistance online via 22007apply.gov or through a paper-based form.

Details about the program, including an application and e-filing portal, are available at 22007apply.gov. 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. Applicants can also call the free call center at 1-800-721-0970, or visit one of several dozen brick-and-mortar offices the program has set up around the country. Locations are provided on the program website and vendors will update the local events schedule with more information as it becomes available. It is important to note that filing an application is FREE and does not require a lawyer.

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.

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, the 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.

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. The official application process and filling out an application is **free** and does not require a lawyer.

For more information, please visit 22007apply.gov. If you want to get weekly updates on the program's events and progress, there's a button there to subscribe to a weekly newsletter.

Student Trainee Position Available!!!

A vacancy announcement for a Student Trainee (AGRL) position in Utah FSA has posted to USAjobs. This is for an internship with Farm Loan Programs with the possibility of converting to a Farm Loan Officer Trainee position. ***There is one position that can be filled in the following duty station locations: Vernal, Cedar City, North Logan, or Salt Lake City.***

The announcement is open to Students.

- Current students enrolled in accredited educational institutions from high school to graduate level. Includes internships, pathways, and other student programs.
- Students who are currently enrolled or accepted for enrollment on at least a half-time basis at a qualifying educational institution in a certificate, degree, or diploma program with a cumulative GPA of 2.5 or higher on a 4.0 scale.

Positions filled utilizing Pathways Student Internship Authority, providing students enrolled in a variety of educational institutions, from high school to graduate level, with paid work opportunities in federal agencies while in school. Pathways Interns may convert to a permanent position in the same occupational series (e.g., GS-1165 or GS-1101) as outlined in the intern's Pathways agreement. Upon conversion to the competitive service, applicants selected for the GS-1165 series (agricultural loans) will have a career ladder up to the GS-11 full performance level.

The position vacancy announcement opened Thursday, October 12, 2023, and will close at 11:59 EST on Tuesday, October 31, 2023. That announcement link can be found here: https://www.usajobs.gov/job/753077100.

This vacancy announcement has already been posted on Handshake to reach students at colleges and universities across the nation. We are asking that this announcement be posted and advertised locally.

We encourage all those interested to apply!

USDA to Begin Issuing $1.75 Billion to Agricultural Producers Through Critical Emergency Relief Programs

USDA announced that it will issue more than $1.75 billion in emergency relief payments to eligible farmers and livestock producers. These much-needed payments are helping farming and ranching operations recover following natural disasters in 2020, 2021 and 2022.

Emergency Livestock Relief Program

FSA issued more than $581 million in 2021 and 2022 drought and wildfire emergency relief to eligible ranchers.

FSA is closing out the Emergency Livestock Relief Program (ELRP) for losses suffered in 2021. ELRP Phase Two payments are estimated at $115.7 million. Ranchers who lost grazing acres due to drought and wildfire and received assistance through ELRP Phase One will soon receive an additional payment through ELRP Phase Two. This second payment will be equal to 20% of the 2021 gross ELRP Phase One payment. ELRP Phase Two payments to producers will be automatic with no application required. In April 2022, FSA staff processed more than 100,000 payments through ELRP Phase One and paid eligible ranchers more than $600 million for 2021 grazing losses.

In 2022, ranchers continued to experience significant loss of grazing acres due to drought and wildfire. To help mitigate these losses, eligible ranchers will receive ELRP disaster assistance payments for increases in supplemental feed costs. To expedite payments, determine producer eligibility and calculate the ELRP 2022 payment, FSA is using livestock inventories and drought-affected forage acreage or restricted animal units and grazing days due to wildfire already reported to FSA by ranchers when they submitted their Livestock Forage Disaster Program applications. ELRP payments for 2022 losses are estimated at $465.4 million and will be automatic with no application required.

Emergency Relief Program Phase Two

FSA is closing out Phase Two of the Emergency Relief Program (ERP) through the delivery of more than $1.17 billion in crop disaster assistance payments to producers of eligible crops who suffered losses, measured through decreases in revenue, due to qualifying natural disaster events that occurred in calendar years 2020 and 2021. ERP Phase Two was intended primarily for producers of crops that were not covered by federal crop insurance or FSA's Noninsured Crop Disaster Assistance Program (NAP). Previously, through ERP Phase one, FSA staff processed more than 300,000 applications and paid an estimated 217,000 eligible producers more than $7.4 billion.

More Information

These programs represent a few of FSA's extensive commodity, conservation, credit, disaster recovery and safety-net programs. By the close of the fiscal year on Sept. 30, for all farm and farm loan programs — including vital access to capital for distressed borrowers — USDA, through the delivery of FSA programs, will have invested more than $19 billion in America's agricultural producers with more economic support on the way in fiscal year 2024.

For more information on available FSA programs, contact your local USDA Service Center.

Filing CCC-941 Adjusted Gross Income Certifications

If you have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs), it may be because you have not filed form CCC-941, *Adjusted Gross Income Certification*.

If you don’t have a valid CCC-941 on file for the applicable crop year you will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2018, 2019, 2020, 2021, and 2022. Unlike the past, you must have the CCC-941 certifying your AGI compliance before any payments can be issued.

Policy Updates for Acreage Reporting

The USDA Farm Service Agency (FSA) recently made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of “idle” and “fallow.”

Reporting Cover Crops:

Cover crop types can be chosen from the following four categories:

- **Cereals and other grasses**
- **Legumes**
- **Brassicas and other broadleaves**
- **Mixtures**

If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

Permitted Revision of Intended use After Acreage Reporting Date:

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee’s satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

Acreage Reports:

In order to maintain program eligibility and benefits, you must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

Reporting Grazing Allotments:

FSA offices can now accept acreage reports for grazing allotments. You will use form “FSA-578” to report grazing allotments as animal unit months (AUMs) using the “Reporting Unit” field. Your local FSA office will need the grazing period start and end date and the percent of public land.

Definitions of Terms

FSA defines “idle” as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row.

Fallow is considered unplanted cropland acres which are part of a crop/fallow rotation where cultivated land that is normally planted is purposely kept out of production during a regular growing season.

USDA Launches Program to Support Agricultural Employers and Farmworkers, Aiming to Increase Economic and Supply Chain Resilience as Part of President Biden’s Investing in America Agenda

The Biden-Harris Administration announced that agricultural employers can begin to apply for a pilot program designed to improve the resiliency of the food and agricultural supply chain by addressing workforce challenges farmers and ranchers face. USDA, in coordination with other federal agencies, is announcing up to $65 million in grants available for the Farm Labor Stabilization and Protection Pilot Program (FLSP Program).

The program will help address workforce needs in agriculture, promote a safe and healthy work environment for farmworkers, and aims to support expansion of lawful migration pathways for workers, including for workers from Northern Central America, through the Department of Labor’s seasonal H-2A visa program.

The FLSP Program seeks to advance the following Administration priorities:

- **Address current workforce needs in agriculture**: Based on stakeholder input, USDA identified that agricultural employers have experienced increased challenges finding an adequate supply of workers, which threatens our domestic capacity to produce a safe and robust food supply. This pilot program will help address these challenges by expanding the potential pool of workers, and enhancing employers’ competitiveness by improving the quality of the jobs they offer.
- **Reduce irregular migration, including from Northern Central America through the expansion of regular pathways**: While U.S. agricultural operations seek additional workers, the Biden-Harris Administration has committed to promote the expansion of regular migration pathways, as part of the Los Angeles Declaration on Migration and Protection. The FLSP offers an opportunity to support this commitment, with economic benefits for foreign workers and their families, and professional and economic development opportunities for communities that send their workers to participate in the H-2A program.
- **Improve working conditions for farmworkers**: A stable and resilient food and agricultural sector relies on attracting and retaining skilled agricultural workers, and strong working conditions are critical to achieve that goal. Through this pilot program, USDA will support efforts to improve working conditions for agricultural workers, both U.S. and H-2A workers. The pilot will help ensure that workers know their rights and the resources available for them, and will promote fair and transparent recruitment practices.

Eligibility for this competitive grant program is limited to domestic agricultural employers who 1) anticipate meeting all Department of Labor (DOL) and Department of Homeland Security (DHS) regulatory requirements for the H-2A program, including demonstrated effort to effectively recruit U.S.-based workers and hire all willing, able, and qualified U.S. workers; and 2) commit to, and indicate capacity to fulfill all Baseline Requirements, as well as any selected (supplemental) commitments that entail additive worker benefits and protections. Eligible employers include fixed-site employers, joint-employers, agricultural associations, and H-2A labor contractors.

The maximum award amount is $2,000,000 and the minimum amount is $25,000 per grant agreement (including any sub-awardees). Award amounts will be determined based on the projected number of full-time equivalent (FTE) agricultural employees, desired award level, as well as the competitive nature of the application. Consistent with the H-2A requirements, applicants must demonstrate insufficient availability of a U.S.-based workforce. The grant window for each recipient is 24 months, allowing producers to use the grant over the course of two agricultural production seasons.

Applications for the FLSP program must be received on or before 11:59 pm Eastern Time on November 28, 2023. More information about the application process can be found here: www.ams.usda.gov/flsp.

USDA Develops Simplified Direct Loan Application to Improve Customer Service

The U.S. Department of Agriculture (USDA) has developed a simplified direct loan application to provide improved customer experience for producers applying for loans from the Farm Service Agency (FSA). The simplified direct loan application enables producers to complete a more streamlined application, reduced from 29 to 13 pages. Producers will also have the option to complete an electronic fillable form or prepare a traditional, paper application for submission to their local FSA farm loan office. The paper and electronic versions of the form are now available.

Approximately 26,000 producers submit a direct loan application to the FSA annually, but there is a high rate of incomplete or withdrawn applications, due in part to a challenging and lengthy paper-based application process. Coupled with the Loan Assistance Tool released in October 2022, the simplified application will provide all loan applicants access to information regarding the application process and assist them with gathering the correct documents before they begin the process. This new application will help farmers and ranchers submit complete loan applications and reduce the number of incomplete, rejected, or withdrawn applications.

In October 2022, USDA launched the Loan Assistance Tool, an online step-by-step guide that provides materials to help an applicant prepare their farm loan application in one tool. Farmers can access the Loan Assistance Tool by visiting farmers.gov/farm-loan-assistance-tool and clicking the ‘Get Started’ button. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser. A version compatible with mobile devices is expected to be available by the summer. It does not work in Internet Explorer.

The simplified direct loan application and Loan Assistance Tool are the first of multiple farm loan process improvements that will be available to USDA customers on farmers.gov in the future. Other improvements that are anticipated to launch in 2023 include:

- An interactive online direct loan application that gives customers a paperless and electronic signature option, along with the ability to attach supporting documents such as tax returns.
- An online direct loan repayment feature that relieves borrowers from the necessity of calling, mailing, or visiting a local Service Center to pay a loan installment.

USDA provides access to credit to approximately 115,000 producers who cannot obtain sufficient commercial credit through direct and guaranteed farm loans. With the funds and direction Congress provided in Section 22006 of the Inflation Reduction Act, USDA took action in October 2022 to [provide relief to qualifying distressed borrowers] while working on making transformational changes to loan servicing so that borrowers are provided the flexibility and opportunities needed to address the inherent risks and unpredictability associated with agricultural operations.

Soon, all direct loan borrowers will receive a letter from USDA describing the circumstances under which additional payments will be made to distressed borrowers and how they can work with their FSA local office to discuss these options. Producers can explore all available options on all FSA loan options at fsa.usda.gov or by contacting their local USDA Service Center.

Making Farm Reconstitutions

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current fiscal year, farm combinations and farm divisions must be requested by **August 1 of the fiscal year** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all of the required signatures are on FSA-155 and all other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

- **Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate
- **Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method, the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding
- **DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract
- **Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, the request will be denied. Although there are exceptions regarding the Stafford Act and emergencies, it's important to wait until you receive written approval of your project proposal before starting any actions.

Applications cannot be approved until FSA has copies of all permits and plans. Contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

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

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