U.S. DEPARTMENT OF AGRICULTURE

Virginia March Newsletter Articles and Updates - March 2024

In This Issue:

FSA Spotlights Women for the Land

Each March we celebrate Women's History Month—a time to highlight the invaluable contributions of women throughout history. Through the lens of agriculture, this month takes on special meaning as we honor the profound impact and role women continue to have in the cultivation of our lands, the stewardship of our resources, and the advancement of agricultural practices worldwide.

Recently, representatives from Virginia FSA attended the Women for the Land seminar at Virginia State University. Women for the Land is a national program initiative with American Farmland Trust (AFT). AFT has a mission to save and protect farmland, promote sustainable practices, and keep farmers on their land. The Women for the Land program is designed to close gaps and expand the knowledge and confidence of women landownership and conservation.

Women for the Land uses a methodology that builds confidence, develops, networks, and creates, lifelong learners among women farmers and producers. Forty women gathered on VSU's Randolph Farm to:

- empower aspiring women to get involved in agriculture to protect the land.
- engage with more women currently in agriculture and connect them to USDA resources.
- share success stories, obstacles, and challenges to help women make the best decisions regarding their farms and ag businesses.
- create a peer-to-peer support network.

Land is one of the most critical economic resources in rural communities. Land rights are fundamental to rural development outcomes favorable to women, as ownership and control over land can affect what households produce and how the proceeds from agricultural production are allocated. Through AFT's program, women are being highlighted for the contributions to agriculture and as landowners which is leading the expansion of women-owned and operated farms/businesses.

Women farmers are catalysts for economic empowerment and growth for communities across the nation, and AFT's work helps them build resiliency and make a difference for many seasons and generations to come.

NRCS Director Message

The current fiscal year is the tenth anniversary of the Natural Resources Conservation Service's fruitful partnership with the Soil Health Coalition (SHC), founded by NRCS and Virginia Tech in 2013 as a unifying entity for the large number of Virginians who view maintenance and improvement of the state's diverse soil types as critical to maintaining the financial health of our agricultural operations. We continue to work closely with the SHC in a number of areas, recently signing a multi-partner cooperative agreement with the 2020 Farmers Cooperative that will add that group, which has more than 200 members, to our expanding conservation team.

Strong, productive partnerships are a key to NRCS operations, not just in Virginia but throughout the country. Over the past decade, the Coalition has had a large and beneficial role in assisting our efforts in education, outreach and encouraging adoption of practices that further the common goal of improving soil health. This includes promoting the use of new and experimental practices funded in part by NRCS Conservation Innovation Grants. We look forward to many decades of cooperation with our very valued partner.

Dr. Edwin Marinez Martinez, NRCS State Conservationist

RD State Director Message

We could all use a helping hand with those big tasks that seem too daunting to undertake on our own. Last month, USDA Rural Development (RD) announced two grant opportunities for technical assistance providers who can help pave the way for agricultural producers and rural small businesses to cut costs and increase income through wind, solar and other renewable energy systems.

State, Tribal or local governments; colleges and universities; electric cooperatives and utility companies; and nonprofit organizations interested in offering this hands-on assistance can now apply for Rural Energy for America Program (REAP) Technical Assistance Grants that can be used to:

- Help you apply for REAP funding.
- Provide information on ways to improve the energy efficiency of your operation and use renewable energy technologies and resources.
- Conduct required energy assessments and audits.
- Aid in planning, building or developing renewable energy or energy efficiency projects.
- Assist with the completion of environmental reports/documentation required for application submittal. Help you apply for REAP funding.

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We're also partnering with the U.S. Department of Energy (DOE) to offer funding and resources through the **Rural and Agricultural Income & Savings from Renewable Energy (RAISE) initiative** to implement clean energy projects with an emphasis on technical assistance for smaller-scale wind systems. These grants are just another way of providing agricultural producers with the support needed to access renewable energy options that can increase access to new markets and strengthen the resiliency of their businesses.

USDA RD recently held the first in a series of joint webinars to share information on programs available through both agencies to support the development of place-based wind projects. Check the link provided above if you're interested in joining rural electric cooperatives, farm associations, and small-scale distributed wind providers for future sessions.

Contact Virginia Energy Coordinator Tracey Krespach at tracey.krespach@usda.gov or (804) 287-1606 for additional information on REAP application deadlines and submission requirements.

Perry Hickman, State Director

Dairy Producers Can Enroll for 2024 Dairy Margin Coverage Beginning Feb. 28

Starting Feb. 28, dairy producers will be able to enroll for 2024 Dairy Margin Coverage (DMC), an important safety net program offered through the U.S. Department of Agriculture (USDA) that provides producers with price support to help offset milk and feed price differences. This year's DMC signup begins Feb. 28, 2024, and ends April 29, 2024. For those who sign up for 2024 DMC coverage, payments may begin as soon as March 4, 2024, for any payments that triggered in January 2024.

USDA's Farm Service Agency (FSA) has revised the regulations for DMC to allow eligible dairy operations to make a one-time adjustment to established production history. This adjustment will be accomplished by combining previously established supplemental production history with DMC production history for those dairy operations that participated in Supplemental Dairy Margin Coverage during a prior coverage year. DMC has also been authorized through calendar year 2024. Congress passed a 2018 Farm Bill extension requiring these regulatory changes to the program.

DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. In 2023, Dairy Margin Coverage payments triggered in 11 months including two months, June and July, where the margin fell below the catastrophic level of $4.00 per hundredweight, a first for Dairy Margin Coverage or its predecessor Margin Protection Program.

2024 DMC Coverage and Premium Fees FSA has revised DMC regulations to extend coverage for calendar year 2024, which is retroactive to Jan. 1, 2024, and to provide an adjustment to the production history for dairy operations with less than 5 million pounds of production. In previous years, smaller dairy operations could establish a supplemental production history and receive Supplemental Dairy Margin Coverage. For 2024, dairy producers can establish one adjusted base production history through DMC for each participating dairy operation to better reflect the operation's current production.

For 2024 DMC enrollment, dairy operations that established supplemental production history through Supplemental Dairy Margin Coverage for coverage years 2021 through 2023, will combine the supplemental production history with established production history for one adjusted base production history.

For dairy operations enrolled in 2023 DMC under a multi-year lock-in contract, lock-in eligibility will be extended until Dec. 31, 2024. In addition, dairy operations enrolled in multi-year lock-in contracts are eligible for the discounted DMC premium rate during the 2024 coverage year. To confirm 2024 DMC lock-in coverage or opt out in favor of an annual contract for 2024, dairy operations having lock-in contracts must enroll during the 2024 DMC enrollment period.

DMC offers different levels of coverage, even an option that is free to producers, minus a $100 administrative fee. The administrative fee is waived for dairy producers who are considered limited resource, beginning, socially disadvantaged or a military veteran. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the online dairy decision tool.

DMC Payments DMC payments are calculated using updated feed and premium hay costs, making the program more reflective of actual dairy producer expenses. These updated feed calculations use 100% premium alfalfa hay.

More Information USDA also offers other risk management tools for dairy producers, including the Dairy Revenue Protection (DRP) plan that protects against a decline in milk revenue (yield and price) and the Livestock Gross Margin (LGM) plan, which provides protection against the loss of the market value of milk minus the feed costs. Both DRP and

LGM livestock insurance policies are offered through the Risk Management Agency. Producers should contact their local [crop insurance agent] for more information.

For more information on DMC, visit the [DMC webpage] or contact your local [USDA Service Center].

Agricultural Producers Have Until March 15 to Enroll in USDA's Key Commodity Safety Net Programs for the 2024 Crop Year

Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for the 2024 crop year have until March 15, 2024, to revise elections and sign contracts. Both safety net programs, delivered by USDA's Farm Service Agency (FSA), provide vital income support to farmers who experience substantial declines in crop prices or revenues for the 2024 crop year. In Virginia, producers have completed 13,500 contracts to date, representing 53% of the more than 25 thousand expected contracts.

Producers can elect coverage and enroll in ARC-County or PLC, which provide crop-by-crop protection, or ARC-Individual, which protects the entire farm. Although election changes for 2024 are optional, producers must enroll, with a signed contract, each year. If a producer has a multi-year contract on the farm, the contract will continue for 2024 unless an election change is made.

If producers do not submit their election revision by the March 15, 2024, deadline, the election remains the same as their 2023 election for eligible commodities on the farm. Also, producers who do not complete enrollment and sign their contract by the deadline will not be enrolled in ARC or PLC for the 2024 year and will not receive a payment if one is triggered. Farm owners can only enroll in these programs if they have a share interest in the commodity.

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.

Web-Based Decision Tools

Many universities offer web-based decision tools to help producers make informed, educated decisions using crop data specific to their respective farming operations. Producers are encouraged to use the tool of their choice to support their ARC and PLC elections.

Crop Insurance Considerations

Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some crop insurance products offered by USDA's Risk Management Agency (RMA). Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider, but producers of covered commodities who elect ARC are ineligible for SCO on their planted acres.

Unlike SCO, RMA's Enhanced Coverage Option (ECO) is unaffected by participating in ARC for the same crop, on the same acres. You may elect ECO regardless of your 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, or STAX, on their planted cotton acres.

More Information

For more information on ARC and PLC, producers can visit the ARC and PLC webpage or contact their local USDA Service Center. Producers can also prepare maps for acreage reporting as well as manage farm loans and view other farm records data and customer information by logging into their farmers.gov account. If you don't have an account, sign up today.

Marketing Assistance Loans and Loan Deficiency Payments for Wool, Mohair and Unshorn Pelts

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) provide financing and marketing assistance for producers of many commodities, including graded and non-graded wool, mohair, and unshorn pelts. MALs and LDPs are available during shearing and provide interim financing to help you meet cash flow needs without having to sell commodities when market prices are low, enabling you to delay selling until more favorable marketing conditions emerge. LDPs are payments made to producers who, although eligible to obtain an MAL, agree to forgo the loan in return for a payment on the eligible commodity.

FSA is now accepting requests for 2024 MALs and LDPs for all eligible wool, mohair and unshorn pelts. These requests should be made on or before the final availability date of Jan. 31, 2025. USDA recently announced 2024 wool and mohair marketing assistance loan rates.

Eligibility

To be eligible for a wool or mohair MAL or LDP, producers must produce and shear eligible mohair and wool in the U.S. during the applicable crop year and must:

- comply with conservation and wetland protection requirements;
- report all cropland acreage on applicable farms where the eligible commodity is produced;
- have and retain beneficial interest in the commodity until the MAL is repaid or the Commodity Credit Corporation (CCC) takes title to the commodity, and;
- meet Adjusted Gross Income (AGI) limitations.

Unshorn pelts are eligible for LDPs only. In addition to the criteria above, producers of unshorn pelts must have sold the unshorn lamb for immediate slaughter or slaughter the lambs for personal use.

LDPs and marketing loan gains are not subject to payment limitation, including actively engaged in farming and cash rent tenant provisions.

In addition to producer eligibility, the loan commodity must have been produced and shorn from live animals by an eligible producer, be in storable condition, and meet specific CCC minimum grade and quality standards. Producers are responsible for any loss in quantity or quality of the wool or mohair pledged as loan collateral.

To retain beneficial interest, the producer must have control and title of the wool, mohair, or unshorn pelt. If beneficial interest in the commodity is lost, the commodity loses eligibility for an MAL or LDP and remains ineligible even if the producer later regains beneficial interest. The producer must be able to make all decisions affecting the commodity including movement, sale, and the request for an MAL or LDP.

Producers may repay an MAL any time during the loan period at the lesser of the loan rate plus accrued interest and other charges or an alternative loan repayment rate, the national posted price, which is announced weekly. Visit the Farm Service Agency (FSA) website for posted loan and LDP rates.

How to Apply

Producers can apply for an MAL by contacting their local FSA county office. To be considered for a LDP, **producers must first have the form CCC-633 EZ, Page 1, on file with FSA** prior to losing beneficial interest in the wool, mohair or unshorn pelt. **It is best to visit the county office and submit the CCC-633 Page 1 right before you shear**. This is completed one time per crop year and indicates your intention to receive LDP benefits.

To apply and learn more information, contact your local USDA Service Center or visit fsa.usda.gov.

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.

Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits.

The following are FSA signature guidelines:

- A married woman must sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- For a minor, FSA requires the minor's signature and one from the minor's parent

Note, by signing a document with a minor, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, etc.

When signing on one's behalf the signature must agree with the name typed or printed on the form or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc.

FAXED signatures will be accepted for certain forms and other documents provided the acceptable program forms are approved for FAXED signatures. Producers are responsible for the successful transmission and receipt of FAXED information.

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office.

Spouses cannot sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Likewise, a spouse cannot sign a document on behalf of the other in order to affirm the eligibility of oneself.

Any member of a general partnership can sign on behalf of the general partnership and bind all members unless the Articles of Partnership are more restrictive. Spouses may sign on behalf of each other's individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office. Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts must consist of an indicator "by" or "for" the individual's name, individual's name and capacity, or individual's name, capacity, and name of entity.

For additional clarification on proper signatures contact your local FSA office.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements. The data gained from these disclosures is used in the preparation of periodic reports to the President and Congress concerning the effect of such holdings upon family farms and rural communities. Click here for more information on AFIDA.

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.

Obtaining Payments Due to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to his or her death, the following is the order of precedence for the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother
- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to the State law

For FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325 to claim the payment for themselves or an estate. The county office will verify that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the deceased participant, FSA will determine whether the person submitting the form has the legal authority to submit the form.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

Progression Lending from FSA

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Farm Service Agency (FSA) farm loans are considered progression lending. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

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

Communication Is Key in Lending

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

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

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

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

NRCS Increases Minimum Annual Payment for Conservation Stewardship Program

The Natural Resources Conservation Service (NRCS) has increased the minimum annual payment for agricultural producers participating in the Conservation Stewardship Program (CSP) from $1,500 to $4,000 starting in Fiscal Year 2024. The increase is designed to address challenges faced by small-scale, underserved and urban agricultural producers and to improve equity in the program by making participation more financially beneficial for smaller operations. The new minimum payment is available for new and renewed CSP contracts, and applications for the program in Virginia are accepted throughout the year.

CSP offers technical and financial assistance to help agricultural and forest producers take their conservation efforts to the next level. The program is designed to compensate agricultural and forest producers who agree to increase their level of conservation by adopting additional conservation activities and maintaining their baseline level of conservation.

Examples of CSP enhancements that are suitable for being adopted by smaller scale and urban producers include:

- Planting multi-species cover crops
- Mulching with natural materials
- Establishing pollinator habitats
- Soil health crop rotation

Inflation Reduction Act and CSP

Currently, an unprecedented amount of funding is available for CSP through the Inflation Reduction Act and 2018 Farm Bill. The Inflation Reduction Act provided $19.5 billion in additional funding for NRCS' oversubscribed programs like CSP over a five-year period. Inflation Reduction Act funds are available to help producers adopt climate-smart practices.

The application deadline will be Oct. 11 of this year. For more information about CSP, contact your local USDA Service Center.

Selected Interest Rates for March 2024

90-Day Treasury Bill	5.5%
Farm Operating Loans — Direct	4.825%
Farm Ownership Loans — Direct	5.25
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.5%

Emergency Loans	3.75%
Farm Storage Facility Loans - (7 years)	4.125%
Commodity Loans 1996-Present	5.875%

Virginia FSA State Office

1606 Santa Rosa Road, Suite 138
Richmond, VA 23229

Phone: 804-287-1503 Fax: 855 -621-5866

Office Hours 7:30 a.m. - 4:30 p.m.

Dr. Ronald M. Howell, Jr.
State Executive Director

Sherina Logan
Administrative Officer

Dorine Ross
Chief Farm Loan Programs

H.L. Kellam
Rodney Young
Chief Farm Programs

Diane Lenoir-Giles
Public Relations/Outreach Specialist

CONTACT US: