

December 2023

Laramie County FSA 11221A US Hwy 30 Cheyenne, WY 82009

(307) 772-2314 ext. 2 Fax: 855-415-3429

Office Hours:

Monday-Friday 8:00 a.m. - 4:30 p.m.

Upcoming Office Closures:

December 25 – Christmas Day January 1 – New Year's Day January 15 – MLK Jr. Day February 19 – President's Day

Farm Service Agency Staff:

Lori Meier, CED

lori.meier@usda.gov
Sarah Marquardt, PT
sarah.marquardt@usda.gov
Karla Warren, PT
karla.warren@usda.gov
Hannah Hammack, PT
hannah.hammack@usda.gov

County Committee:

Theron Anderson Dave Bowman T.J. Hollingsworth Heidi Romsa, advisor

Farm Loan Manager:

Rob Weppner 307-322-4050 rob.weppner@usda.gov

Next COC Meeting:

December 7th @ 10 a.m.

A monthly bulletin is also sent out through email. Please contact the office if you would like to start receiving them.

Thank you for everything you do for agriculture!

Conservation Compliance on Highly Erodible Land and Wetlands

Highly erodible land (HEL) and wetland conservation (WC) provisions aim to reduce soil loss on erosion-prone lands and to protect wetlands for the multiple benefits they provide. HEL and WC provisions apply to all land that is considered highly erodible or a wetland, and that is owned or farmed by persons voluntarily participating in USDA programs.

To comply with HEL and WC provisions, agricultural producers and affiliated persons must fill out and sign form AD-1026 certifying they will not:

- Plant or produce an agricultural commodity on highly erodible land without following an NRCS-approved conservation plan or system.
- Plant or produce an agricultural commodity on a converted wetland; or
- Convert a wetland that makes the production of an agricultural commodity possible.

In addition, producers planning to conduct activities that may affect their HEL or WC compliance; for example, land clearing, conducting drainage activities, land leveling, filling, dredging, or excavation, **including the clearing of woody vegetation**; must notify FSA by filing form AD-1026. FSA will notify NRCS, and they will then provide highly erodible land or wetland technical evaluations and issue determinations if needed.

It is extremely important that producers comply with the HEL and WC provisions to continue receiving USDA Program benefits. Please contact your local <u>USDA Service</u> Center for more information.

Every Season is Scam Season

Remember to discuss your USDA Farm Service Agency (FSA) account information only with people you recognize and trust.

If you have questions about your FSA accounts, including your farm loans, contact your Laramie County USDA Service Center at 307-772-2314 ext. 2 or visit fsa.usda.gov.

The deadline for applications for the Livestock Forage Disaster Program (LFP) and the Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP) is January 30, 2023. Please call the office to learn more about these programs and to set an appointment to sign up.

FSA Offers Loan Servicing Options

There are options for Farm Service Agency (FSA) loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about your options.

USDA to Provide More Than \$3 Billion to Commodity and Specialty Crop Producers Impacted by 2022 Natural Disasters

The U. S Department of Agriculture (USDA) will provide more than \$3 billion to commodity and specialty crop producers impacted by natural disaster events in 2022. Eligible impacted producers can apply for financial assistance through the Emergency Relief Program (ERP) 2022. The program will help offset the financial impacts of crop yield and value losses from qualifying disasters occurring in 2022.

Background

On Dec. 29, 2022, President Biden signed into law the *Disaster Relief Supplemental Appropriations Act, 2023 (P.L. 117-328)* that provides about \$3.7 billion in financial assistance for agricultural producers impacted by eligible natural disasters that occurred in calendar year 2022.

ERP 2022 covers losses to crops, trees, bushes and vines due to qualifying, calendar year 2022 natural disaster events including wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought and related conditions.

ERP 2022 program benefits will be delivered to eligible producers through a two-track process. FSA intends to make both tracks available to producers at the same time. This two-track approach enables USDA to:

- Streamline the application process.
- Reduce the paperwork burden on producers.
- <u>Proactively include provisions for underserved producers who have not been well served by past emergency</u> relief efforts.
- Encourage producer participation in existing risk management programs to mitigate the impacts of future severe weather events.

It's important to note that disaster-impacted producers may be eligible for ERP 2022 assistance under one or both tracks. To avoid duplicative benefits, if a producer applies for both tracks, the Track 2 payment calculation will take into account any payments received through Track 1.

ERP 2022 Application Process – Track 1

ERP 2022 Track 1 leverages existing federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) data as the basis for calculating payments for eligible crop producers who received indemnities through these risk management programs.

Although FSA is sending pre-filled ERP 2022 Track 1 application forms to producers who have crop insurance and NAP data already on file with USDA, producers indemnified for losses resulting from 2022 natural disasters do not have to wait to receive the application before requesting ERP 2022 assistance. Effective Oct. 31, 2023, producers can apply for ERP 2022 benefits whether they have received the pre-filled application or not. Receipt of a pre-filled application is not confirmation that a producer is eligible to receive an ERP 2022 Track 1 payment.

USDA estimates that ERP Track 1 benefits will reach more than 206,000 producers who received indemnities for losses covered by federal crop insurance and more than 4,500 producers who obtained NAP coverage for the 2022 crop year.

ERP 2022 Application Process – Track 2

Track 2 is a revenue-based certification program designed to assist eligible producers who suffered an eligible decrease in revenue resulting from 2022 calendar year disaster events when compared with revenue in a benchmark year using revenue information that is readily available from most tax records. In cases where revenue does not reasonably reflect a normal

year's revenue, Track 2 provides an alternative method for establishing revenue. Likewise, Track 2 affords producers of crops that are used within an operation and do not generate revenue from the sale of the crop a method for establishing revenue for the purpose of applying for ERP 2022 benefits. Producers are not required to submit tax records to FSA unless requested by the County Committee if required for an FSA compliance spot check.

Although not required when applying for ERP 2022 Track 2, applicants might find the following documents useful to the process:

- Schedule F (Form 1040)
- Profit or Loss from Farming or similar tax documents for tax years 2018, 2019, 2022 and 2023.

Track 2 targets gaps in emergency relief assistance for eligible producers whose eligible losses were not covered by crop insurance or NAP including revenue losses too small (shallow loss) to be covered by crop insurance.

Producers interested in applying for ERP 2022 Track 2, should contact their local FSA county office. Additional reference resources can be found on FSA's emergency relief website.

Additional Required Forms

For both ERP 2022 tracks, all producers must have certain required forms on file with FSA within 60 days of the ERP 2022 deadline. Producers can apply for ERP 2022 starting Oct. 31, 2023. The application deadline has not yet been determined and will be announced at a later date. If not already on file, producers can update, complete and submit required forms to FSA at any time.

Required forms:

- 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, for the 2022 program year.
- 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 ERP producer and applicable affiliates.

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

Future Insurance Coverage Requirements

All producers who receive ERP 2022 payments must purchase crop insurance, or NAP coverage where crop insurance is not available, in the next two available crop years as determined by the Secretary. Purchased coverage must be at the 60/100 coverage level or higher for insured crops or at the catastrophic coverage level or higher for NAP crops.

More Information

ERP 2022 eligibility details and payment calculation factor tables are available on the <u>emergency relief website</u>, in the <u>ERP Track 1</u> and <u>ERP Track 2</u> fact sheets and through your local <u>FSA county office</u>.

We are waiting on a Farm Bill to see if we will have Agricultural Risk Coverage and Price Loss Coverage (ARC/PLC) Program sign ups again...or something else! Please be checking our monthly email bulletins for more information, as we receive it!



PRESORTED STANDARD U.S. POSTAGE PAID Farm Service Agency PERMIT #G-96

Dates to Remember	
December 25, 2023	Office closed in observance of the Christmas Day Holiday
January 1, 2024	Office closed in observance of the New Year's Day Holiday
January 15, 2024	Office closed in observance of the Martin Luther King Jr's Birthday Holiday
January 30, 2024	Deadline to apply for 2023 Livestock Forage Program
January 30, 2024	Deadline to apply for the 2023 Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program
January 31, 2024	Deadline to apply for 2023 Wool, Mohair, and Unshorn pelts Loan Deficiency Payments
February 19, 2024	Office closed in observance of George Washington's Birthday Holiday

Persons with disabilities who require accommodations to participate in this meeting should contact Lori Meier at 307-772-2314 extension 2 or dial 7-1-1 to access telecommunication relay services.

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

Tax Resources for USDA Program Participants

Navigating filing taxes can be challenging, especially if you are new to running a farm business, participating in disaster programs for first time, or trying to forecast the farm's tax bill. Receiving funds from USDA through activities such as a conservation program payment or a disaster program is considered farm income that includes a tax liability for farm businesses. USDA technical assistance is free and creates no tax implications.

At the end of the tax year, USDA issues tax forms 1098 and 1099 forms for farm loans, conservation programs administered by the Farm Service Agency and Natural Resource Conservation Service including the Conservation Reserve Program and Environmental Quality Incentives Program, crop disaster payments, and the Market Facilitation Program. USDA also issues tax forms for recipients of assistance for distressed borrowers, including through Section 22006 of the Inflation Reduction Act.

If you have received tax forms related to your operation, USDA cannot and does not provide tax advice but wants you to be aware of options that may help manage your tax liability. USDA has partnered with experts to provide resources to help you make the right tax decisions for your operation. Monthly webinars are available for registration and to view on demand at https://www.farmers.gov/working-with-us/taxes.

The <u>Tax Estimator Tool</u> is an interactive spreadsheet that producers can download to estimate tax liability. It is for informational and educational purposes and should not considered tax or legal advice. Producers may need to work with a tax professional to determine the correct information to be entered in the Tax Estimator Tool.

We encourage you to visit https://www.farmers.gov/working-with-us/taxes for more information on how to find and work with a tax preparer as well as instructions on how to request copies of USDA documents and links to other helpful tax resources.