

Lincoln County USDA Bulletin - November 2023

### Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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## **County Office Message**

**Greetings Lincoln County Farmers and Ranchers!** 

There were recent changes to our Livestock Indemnity Program (LIP) and Emergency Livestock Assistance Program (ELAP)- you no longer need to report any losses to eligible events within 30 days of the loss becoming apparent. You can know file a notice of loss any time after the eligible weather event and up to the application for payment deadlines! However, you will still need to provide date(s) and eligible weather event(s), along with supporting documentation to those weather events and dates. If you experienced livestock death losses and/or additional feed purchase needs, with or without snow removal expenses, in 2023, please make sure to contact the office to complete your notice of loss and application for payment by the applicable deadlines.

### **Important Dates:**

**December 1, 2023** – Deadline to apply for 2024 Non-insured Crop Disaster Assistance Program (NAP) coverage on fall-seeded crops and perennial crops and pasture. **December 4, 2023** - COC Election Ballots due in the office or postmarked

**December 15, 2023** - Deadline to have signed and turned in your production for 2023 hay losses if you participated in 2023 NAP programs

January 2, 2024 - 2024 crop reporting deadline for honeybees

January 30, 2024 - 2023 ELAP deadline for application for payment

January 31, 2024 - 2023 deadline for LDPs for Wool, Mohair, and Unshorn Pelts.

March 1, 2024 - 2023 LIP deadline for application for payment

### Office Closures:

**December 25. 2023** - In observance of Christmas Day **January 1, 2024** - In observance of New Year's Day

As you are looking towards more time catching up on paperwork, please consider these reminders:

- Leases and/or land ownership changes including operational changes must be reported within 30 calendar days of the change to avoid late fees, repayment of funds issued and/or ineligibility or program participation. The deadline to submit changes for 2024 program year is August 1, 2024.
- If your banking information has changed since the last time you received a payment from our office, please contact us to update your direct deposit information. Account changes are not automatically

- reported to us (our system is different than NRCS or Farm Loan) and having the wrong account on file can hold up payments from getting to producers for additional weeks.
- The Organic Certification and Cost Share Program is open for applications covering organic expenses PAID between October 1, 2022 and September 30, 2023. Producers need to provide copies of the paid organic costs to the office and sign the application for cost share. Producers can receive up to \$750 in cost share assistance.
- Producers should have started receiving prefilled applications for the Emergency Relief Program (ERP) 2022 in the mail. Check out the article below for more information on this program and signups.

## **Emergency Relief Program (ERP) 2022**

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 <a href="Emergency Relief">Emergency Relief</a> <a href="Program (ERP) 2022</a>. 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.
- Proactively include provisions for underserved producers who have not been well served by past emergency 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>.

# FSA Encourages Farmers and Ranchers to Vote in County Committee Elections



The 2023 Farm Service Agency County Committee Elections will begin on Nov. 6, 2023, when ballots are mailed to eligible voters. The deadline to return ballots to local FSA offices, or to be postmarked, is Dec. 4, 2023.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA

programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive, indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must:

- Be of legal voting age or, if not of legal voting age, supervise and conduct the farming operation of an entire farm.
- Have an interest in a farm or ranch as either:
  - An individual who meets one or more of the following:
    - Is eligible and capable to vote in one's own right.
    - Is a partner of a general partnership.
    - Is a member of a joint venture.
  - Participates or cooperates in any FSA program that is provided by law. A cooperating
    producer is someone who has provided information to FSA about their farming or ranching
    operation(s) but may not have applied or received program benefits.

Eligible voters in Local Administrative Area 1, who do not receive a ballot can obtain one from their local FSA county office. Customers can identify which LAA they or their farming operation is in by using our new GIS locator tool available at <a href="fsa.usda.gov/elections">fsa.usda.gov/elections</a>.

Newly elected committee members will take office Jan. 1, 2024.

The candidate in this year's election is:

Jed Heap is nominated in LAA 1, Lincoln County, to serve as a committee member for a 3-year term. Jed resides in Thayne and produces barley and hay, as well as previously dairy for many years.

More information on county committees can be found at fsa.usda.gov/elections or by contacting the Platte County FSA office.

# **New Technology Helps Ranchers Maximize Grass Production**

One out of every three acres in the U.S. is rangeland. Two-thirds of these are privately owned, mainly by ranchers who graze their livestock in the open country of the American West. Our rangelands produce premium beef, wool, and dairy. But it's the plants that feed these livestock that are the foundation for profitable agriculture in the West. But ranchers haven't had a good way to measure how their grass is faring — until now.



The Rangeland Analysis Platform (RAP), developed in partnership with the USDA Natural Resources Conservation Service, Bureau of Land Management, and the University of Montana, allows producers to track changes in the amount and types of plants growing on their property.

RAP is a free online resource that provides data on vegetation trends across the West from the mid-1980s to the present; and it calculates how productive those plants are. A combination of long-term datasets shows landowners how their lands have changed over time, which translates directly into their operation's profitability.

Farmers in the central and eastern U.S. have been using technology to track changes in crop production for decades. As soon as they see that their plant productivity is declining — and revenues following suit — they can take steps to address the limitations and boost productivity again.

RAP provides the same power to ranchers. RAP can show ranchers the gap between their potential production and the actual production they realize in terms of pounds-per-acre of grass. It helps landowners understand how much they can potentially gain by changing management practices to boost available forage and close the gap.

Landowners can see how their plant production has changed in a single month or over the span of several years. The technology can be used to visualize plant productivity in an area as small as a baseball diamond or as large as several states. New technology like RAP helps us "help the land" in order to sustain wildlife, provide food and fiber, and support agricultural families long into the future.

# 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 quaranteed 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 quaranteed loan borrowers will contain instructions for opting out of assistance if a borrower chooses to do

**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 <u>letter</u> 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 <u>letter</u> 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.



### **USDA Service Center**

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### **County Executive Director**

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### Farm Loan Manager

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### **County Committee**

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