

Idaho FSA Newsletter - December 2, 2021

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

- <u>USDA to Issue Final Pandemic Payments for Timber Harvesters and Haulers</u>
- USDA Reminds Idaho Producers to File Crop Acreage Reports
- <u>2021 Farm Service Agency County Committee Elections Underway</u>
- USDA Offers Online Tool for Drought-Stricken Ranchers to Estimate <u>Compensation for Feed Transportation Costs</u>
- USDA Provides \$1.8 Billion to Offset Market Fluctuations
- Report Banking Changes to FSA
- Higher Loan Limit Now Available for USDA Guaranteed Farm Loans

USDA to Issue Final Pandemic Payments for Timber Harvesters and Haulers

The U.S. Department of Agriculture will begin issuing final pandemic assistance payments to timber harvesters and timber hauling businesses through the <u>Pandemic Assistance for</u> <u>Timber Harvesters and Haulers (PATHH) program</u> starting next week. In total, \$200 million will be provided to loggers and log trucking businesses who experienced a gross revenue loss of at least 10% during the period of Jan. 1 through Dec. 1, 2020, compared to the period of Jan. 1 through Dec. 1, 2020, compared to the period of Jan. 1 through Dec. 1, 2019. This support is part of USDA's broader <u>Pandemic Assistance for Producers initiative</u>.

Eligible PATHH applicants must have derived at least 50 percent of total gross revenue from timber harvesting and/or timber hauling. Specifically, eligible activities included cutting timber, transporting timber and/or the processing of wood on-site on the forest land, such as chipping, grinding, converting to biochar or cutting to smaller lengths.

The Consolidated Appropriations Act, 2021, authorized up to \$200 million for PATHH. FSA issued initial payments up to \$2,000 as applications were approved. Now that signup has ended and FSA has evaluated remaining funds, FSA has started to issue second payments to those applicants whose calculated payment amount was over \$2,000.

Based on the number of actual PATHH applications filed, FSA will be required to lower the payment limitation for PATHH from \$125,000 to \$75,000 and apply a payment factor of 70.5% across all calculated payments to ensure program outlays do not exceed the available funding. These provisions were previously outlined in the <u>Notice of</u> <u>Funding Availability</u> in the event the revenue loss reported exceeded available funding.

USDA Reminds Idaho Producers to File Crop Acreage Reports

Agricultural producers in Idaho who have not yet completed their <u>crop acreage reports</u> after planting should make an appointment with their Farm Service Agency (FSA) office before the applicable deadline.

An acreage report documents a crop grown on a farm or ranch and its intended uses. Filing an accurate and timely acreage report for all crops and land uses, including failed acreage and prevented planted acreage, can prevent the loss of benefits.

How to File a Report

Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, some <u>USDA Service Centers</u> are open to limited visitors. Contact your Service Center to set up an in-person or phone appointment.

To file a crop acreage report, you will need to provide:

- Crop and crop type or variety.
- Intended use of the crop.
- Number of acres of the crop.
- Map with approximate boundaries for the crop.
- Planting date(s).
- Planting pattern, when applicable.
- Producer shares.
- Irrigation practice(s).
- Acreage prevented from planting, when applicable.
- Other information as required.

Acreage Reporting Details

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.

Producers should also report crop acreage they intended to plant, but due to natural disaster, were unable to plant. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and USDA's Risk Management Agency.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP-covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

More Information

For questions, please contact your local FSA office. To locate your local FSA office visit <u>farmers.gov/service-center-locator</u>.

2021 Farm Service Agency County Committee Elections Underway

The U.S. Department of Agriculture (USDA) will begin mailing ballots this week for the Farm Service Agency (FSA) county and urban county committee elections to all eligible agricultural producers and private landowners across the country. Elections are occurring in certain Local Administrative Areas (LAA) for these committee members who make important decisions about how federal farm programs are administered locally. To be counted, producers and landowners must return ballots to their local FSA county office or be postmarked by Dec. 6, 2021.

Producers must participate or cooperate in an FSA program to be eligible to vote in the county committee election. A cooperating producer is someone who has provided information about their farming or ranching operation but may not have applied or received FSA program benefits. Also, for County Committee elections, producers who are not of legal voting age, but supervise and conduct the farming operations of an entire farm, are eligible to vote.

Producers can find out if their LAA is up for election and if they are eligible to vote by contacting their local FSA county office. Eligible voters who do not receive a ballot in the mail can request one from their local FSA county office. To find your local USDA Service Center, visit <u>farmers.gov/service-locator</u>. Visit <u>fsa.usda.gov/elections</u> for more information.

Each committee has from three to 11 elected members who serve three-year terms of office, and at least one seat representing an LAA is up for election each year. Newly elected committee members will take office Jan.1, 2022.

Urban and Suburban County Committees

Ballots to elect urban committee members were sent beginning Nov. 1, 2021. These elections will serve local urban producers in the same jurisdiction. A fact sheet on the urban county committee election and a list of eligible cities can be found at <u>fsa.usda.gov/elections</u>.

The 2018 Farm Bill directed USDA to form urban county committees as well as make other advancements related to urban agriculture, including the establishment of the Office of Urban Agriculture and Innovative Production. Urban county committees will work to encourage and promote urban, indoor and other emerging agricultural production practices. Committee members will provide outreach to ensure urban producers understand USDA programs and serve as the voice of other urban producers. Additionally, the new county committees may address areas such as food access, community engagement, support of local activities to promote and encourage community compost and food waste reduction. Learn more at <u>farmers.gov/urban</u>.

USDA Offers Online Tool for Drought-Stricken Ranchers to Estimate Compensation for Feed Transportation Costs

An online tool is now available to help ranchers document and estimate payments to cover feed transportation costs caused by drought, which are now covered by the <u>Emergency</u> <u>Assistance for Livestock</u>, <u>Honeybees and Farm-raised Fish Program (ELAP)</u>. The U.S. Department of Agriculture (USDA) updated the program this year to include feed transportation costs as well as lowered the threshold for when assistance for water hauling expenses is available. USDA's Farm Service Agency (FSA) will begin taking applications this fall.

The new <u>ELAP Feed Transportation Producer Tool</u> is a Microsoft Excel workbook that enables ranchers to input information specific to their operation to determine an estimated payment. Final payments may vary depending on eligibility.

To use the tool, ranchers will need:

- Number of truckloads for this year.
- Mileage per truckload this year.
- Share of feed cost this year (if splitting loads).
- Number of truckloads you normally haul.
- Normal mileage per truckload.
- Share of normal feed cost

The tool requires Microsoft Excel, and a tutorial video is available.

Updates to ELAP

ELAP provides financial assistance to eligible producers of livestock, honeybees and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions as determined by the Secretary of Agriculture. ELAP now covers feed transportation costs where grazing and hay resources have been depleted. This includes places where:

Drought intensity is D2 for eight consecutive weeks as indicated by the U.S. Drought Monitor; or

Drought intensity is D3 or greater.

The tool calculates the estimated payment for feed transportation assistance, but it is not an application. Once FSA begins accepting applications later this fall for feed transportation assistance, ranchers should contact their FSA county office to apply. To simplify the application process, ranchers can print or email payment estimates generated by this tool for submission to FSA. The deadline to apply for ELAP, including feed transportation costs, for 2021 is Jan. 31, 2022.

ELAP already covers above normal costs for hauling water to livestock in areas where drought intensity is D3 or greater on the drought monitor. FSA is also updating ELAP to also cover water hauling in areas experiencing D2 for eight consecutive weeks, lowering the threshold for this assistance to be available. Program benefits are retroactive for 2021.

Payment Calculations

USDA will reimburse eligible ranchers 60% of feed transportation costs above what would have been incurred in a normal year. Producers qualifying as underserved (socially disadvantaged, limited resource, beginning or military veteran) will be reimbursed for 90% of the feed transportation cost above what would have been incurred in a normal year.

USDA uses a national cost formula to determine reimbursement costs that will not include the first 25 miles and distances exceeding 1,000 transportation miles. The calculation will also exclude the normal cost to transport hay or feed if the producer normally purchases some feed. For 2021, the initial cost formula of \$6.60 per mile will be used (before the percentage is applied).

Eligibility

To be eligible for ELAP assistance, livestock must be intended for grazing and producers must have incurred feed transportation costs on or after Jan. 1, 2021. Although producers will self-certify losses and expenses to FSA, producers are encouraged to maintain good records and retain receipts and related documentation in the event these documents are requested for review by the local FSA County Committee.

More Drought Recovery Information

USDA has taken additional steps to assist drought-impacted producers, including:

- Extending deadlines for crop insurance premium and administrative fees, and deferring interest accrual.
- <u>Streamlining and accelerating losses and issuance of indemnity payments for crop</u> <u>insurance</u>.
- Investing \$41.8 million through a four-state pilot of the Environmental Quality
 Incentives Program Conservation Incentive Contracts focused on drought
 practices.
- Investing \$15 million through a block grant to the Klamath Drought Response Agency to provide payments to producers to reduce irrigation demand.

USDA offers a comprehensive portfolio of disaster assistance programs. On farmers.gov, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster Assistance-at-a-Glance fact sheet</u>, and <u>Farm Loan Discovery Tool</u> can help producers and landowners determine all program or loan options available for disaster recovery assistance. For details, producers should contact their local USDA Service Center.

USDA Provides \$1.8 Billion to Offset Market Fluctuations

The U.S. Department of Agriculture (USDA) is in the process of issuing \$1.8 billion in payments to agricultural producers who enrolled in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2020 crop year. These payments provide critical support to help mitigate fluctuations in either revenue or prices for certain crops. These two USDA safety-net programs help producers of certain crops build back better after facing the impacts of COVID-19 and other challenges.

In addition, USDA's Farm Service Agency (FSA) is encouraging producers to contact their local USDA Service Centers to make or change elections and to enroll for 2022 ARC or PLC, providing future protections against market fluctuations. The election and enrollment period opened on Oct. 18, 2021 and runs through March 15, 2022.

2020 Payments and Contracts

ARC and PLC payments for a given crop year are paid out the following fall to allow actual county yields and the Market Year Average prices to be finalized. This month, FSA processed payments to producers enrolled in 2020 ARC-County (ARC-CO), ARC-Individual (ARC-IC) and PLC for covered commodities that triggered for the crop year.

For ARC-CO, view the <u>2020 ARC-CO Benchmark Yields and Revenues online</u> <u>database</u> for payment rates applicable to their county and each covered commodity.

For PLC, payments have triggered for barley, canola, chickpeas (large and small), dry peas, flaxseed, lentils, peanuts, seed cotton and wheat. More information on rice payments will be announced later this fall and in early 2022.

For ARC-IC, producers should contact their local FSA office for additional information pertaining to 2020 payment information, which relies on producer-specific yields for the crop and farm to determine benchmark yields and actual year yields when calculating revenues.

By the Numbers

More than 1.7 million contracts were signed in 2019. In 2020, producers signed nearly 1.8 million ARC or PLC contracts, and 251 million out of 273 million base acres were enrolled in the programs. In 2021, signed contracts surpassed 1.8 million.

Since the ARC and PLC were authorized by the 2014 Farm Bill and reauthorized by the 2018 Farm Bill, these safety-net programs have paid out more than \$32.5 billion to producers of covered commodities.

2022 Elections and Enrollment

Producers can elect coverage and enroll in ARC-CO or PLC, which are both crop-by-crop, or ARC-IC, which is for the entire farm. Although election changes for 2022 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm and makes an election change for 2022, it will be necessary to sign a new contract.

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

Covered commodities include 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

In partnership with USDA, the University of Illinois and Texas A&M University offer webbased decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- <u>Gardner-farmdoc Payment Calculator</u>, a tool available through the University of Illinois allows producers to estimate payments for farms and counties for ARC-CO and PLC.
- <u>ARC and PLC Decision Tool</u>, a tool available through Texas A&M tallows producers to estimate payments and yield updates and expected payments for 2022.

Crop Insurance Considerations

ARC and PLC are part of a broader safety net provided by USDA, which also includes crop insurance and marketing assistance loans.

Producers are reminded that ARC and PLC elections and enrollments can impact eligibility for some crop insurance products.

Producers on farms with a PLC election have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider; however, producers on farms where ARC is the election are ineligible for SCO on their planted acres for that crop on that farm.

Unlike SCO, the Enhanced Coverage Option (ECO) is unaffected by an ARC election. Producers may add ECO regardless of the farm program election.

More Information

For more information on ARC and PLC, visit the <u>ARC and PLC webpage</u> or contact your local <u>USDA Service Center</u>

Report Banking Changes to FSA

Farm Service Agency (FSA) program payments are issued electronically into your bank account. In order to receive timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for any reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2019 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2020. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

Higher Loan Limit Now Available for USDA Guaranteed Farm Loans

The U.S. Department of Agriculture (USDA) announced a higher loan limit will be available for borrowers seeking a guaranteed farm loan starting Oct. 1, 2021, from \$1.776 million to \$1.825 million.

FSA farm loans offer access to funding for a wide range of producer needs, from securing land to financing the purchase of equipment. Guaranteed loans are financed and serviced by commercial lenders. FSA provides up to a 95% guarantee against possible financial loss of principal and interest. Guaranteed loans can be used for both farm ownership and operating purposes.

In fiscal year 2021, FSA saw continued strong demand for guaranteed loans. FSA obligated more than \$3.4 billion in guaranteed farm ownership and operating loans. This includes nearly \$1.2 billion for beginning farmers. The number of guaranteed borrowers has grown by 10% to more than 38,750 farmers and ranchers over the last decade. FSA expects the increasing demand for farm loans to continue into fiscal year 2022.

Disaster Set-Aside Extension

USDA has additional support available to producers given the recent outbreaks of the COVID-19 Delta variant and has extended the availability of COVID-19 Disaster Set-Aside (DSA) for installments due through Jan. 31, 2022. In addition, FSA will permit a second DSA for COVID-19 and a second DSA for natural disasters for those who had an initial COVID-19 DSA. Requests for a COVID-19 DSA or a second DSA must be received no later than May 1, 2022.

Last year, FSA broadened the use of the DSA. Normally used in the wake of natural disasters, the DSA can now allow farmers with USDA farm loans who are affected by COVID-19 and determined to be eligible, to have their next payment set aside. The set-aside payment's due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This will improve the borrower's cashflow in the current production cycle.

More Information

Producers can explore available options on all FSA loan options at <u>fsa.usda.gov</u> or by contacting their <u>local USDA Service Center</u>. Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, some <u>USDA Service Centers</u> are open to limited visitors. Contact your Service Center to set up an in-person or phone appointment. Additionally, more information related to USDA's response and relief for producers can be found at <u>farmers.gov/coronavirus</u>.



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> Note: To check the status of your FSA Farm Loan (FLP) account, call 1-888-518-4983 or check with your local office. To find contact information for your local office go to <u>www.fsa.usda.gov/id</u>