

Kentucky May Newsletter - May 12, 2021

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## USDA Expands and Renews Conservation Reserve Program in Effort to Boost Enrollment and Address Climate Change

USDA will open enrollment in the Conservation Reserve Program (CRP) with higher payment rates, new incentives, and a more targeted focus on the program's role in climate change mitigation. Additionally, USDA is announcing investments in partnerships to increase climate-smart agriculture, including \$330 million in 85 Regional Conservation Partnership Program (RCPP) projects and \$25 million for On-Farm Conservation Innovation Trials.



#### **Conservation Reserve Program**

USDA's goal is to enroll up to 4 million new acres in CRP by raising rental payment rates and expanding the number of incentivized environmental practices allowed under the program. CRP is one of the world's largest voluntary conservation programs with a long track record of preserving topsoil, sequestering carbon, and reducing nitrogen runoff, as well providing healthy habitat for wildlife.

CRP is a powerful tool when it comes to climate mitigation, and acres currently enrolled in the program mitigate more than 12 million metric tons of carbon dioxide equivalent (CO2e). If USDA reaches its goal of enrolling an additional 4 million acres into the

program, it will mitigate an additional 3 million metric tons of CO2 equivalent and prevent 90 million pounds of nitrogen and 33 million tons of sediment from running into our waterways each year.

#### **New Climate-Smart Practice Incentive**

To target the program on climate change mitigation, FSA is introducing a new **Climate-Smart Practice Incentive** for CRP general and continuous signups that aims to increase carbon sequestration and reduce greenhouse gas emissions. Climate-Smart CRP practices include establishment of trees and permanent grasses, development of wildlife habitat, and wetland restoration. The Climate-Smart Practice Incentive is annual, and the amount is based on the benefits of each practice type.

#### **Higher Rental Rates and New Incentives**

In 2021, CRP is capped at 25 million acres, and currently 20.8 million acres are enrolled. Furthermore, the cap will gradually increase to 27 million acres by 2023. To help increase producer interest and enrollment, FSA is:

- Adjusting soil rental rates. This enables additional flexibility for rate adjustments, including a possible increase in rates where appropriate.
- Increasing payments for Practice Incentives from 20% to 50%. This incentive
  for continuous CRP practices is based on the cost of establishment and is in
  addition to cost share payments.
- Increasing payments for water quality practices. Rates are increasing 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 CRP Grassland minimum rental rate. This benefits more than 1,300 counties with rates currently below the minimum.

To learn more about updates to CRP, download our "What's New with CRP" fact sheet.

# **Share Your Planting Season Experience for** #Plant2021



After a long winter and a challenging year, spring has finally come. As the world around us bursts into song and color, our farmers will begin to work the soil they've protected all winter and plant the seeds they will nurture for months to come. Later this year, the fruits of their labor will become the food that feeds our communities, the fiber that clothes our families, and the fuel that powers industries.

For many, 2020 was the first year they'd ever seen an empty shelf at the grocery store. And for the first time, many people realized how much they take farming and the people who make it possible for granted. Fewer and fewer Americans understand what our farmers do, who they are, and the hard work they put in. Let's change that.

This planting season, let Farmers.gov showcase your work by participating in the #Plant2021 campaign. We'll share your story on @FarmersGov on social media and a nationwide storymap. Here's how:

Using your smartphone or digital camera, take photos of what's happening on your operation during planting season. Videos may be too large to email as attachment, so you can email them to us via mail drop (iPhone), Google Photos (Android), or any other file sharing service. A few ideas:

- If you're comfortable, we'd love to see the people that make it happen set against the backdrop of your agricultural operation.
- Take a photo from inside the tractor cab so we can see what you see.
- Photos at sunrise or sunset are always beautiful!
- Behind-the-scenes photos showing us the amount of planning and preparation it takes to have a successful planting season are welcomed.
- Emerging (baby) crops.

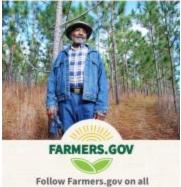
Submit your photos/videos along with the following information to us at SM.FP.Social@usda.gov:

- Your name if you're comfortable sharing.
- Location of the operation (city or county and state).
- Information about what's in the photo/video and what's being planting.
- Your thoughts about this year's planting season. Is this year different from previous years? How do you feel about the season? What are you hopeful about?
- If your operation has a Facebook, Twitter, and/or Instagram account, please include it so that we can tag you.

Please note that by submitting your photo/video, you are granting USDA permission to use these materials for outreach and education purposes. Follow @FarmersGov on Facebook, Twitter, and Instagram, and we look forward to sharing your story!

## New Farmers.gov Features Help You Manage Your USDA Business Online

#### Let's be social!



social media platforms:

FarmersGov FarmersGov

 Last June, NRCS' Conservation Client Gateway moved to farmers.gov enabling USDA customers to access multiple conservation features through a platform that provides a customer-centric digital experience. Farmers.gov provides a secure, single desktop- and mobile device-accessible authenticated portal for FSA, NRCS and RMA customer-facing features.

As we've continued to add more content and capabilities, farmers.gov has quickly become the premier online hub for customers to find resources, submit applications and assistance requests, and make connections.

Another new feature is coming to farmers.gov to help you manage your USDA business. You'll now receive an email letting you know that an NRCS document needs your signature, which you can quickly and easily sign online in the portal.

The farmers.gov portal also enables you to:

- View, upload, download, and e-sign documents.
- Request financial assistance, including submitting a program application.
- View and submit conservation requests.
- View technical references and submit questions.
- Access information on current and past conservation practices and plans.
- Report practice completion and request practice certification.
- View detailed information on all previous and ongoing contracts.
- Have the authority as an FSA and/or NRCS customer to work in the portal and act on behalf of your active power-of-attorney entitlements and your current authorities for business entities.

These conservation features join several others already available through the farmers.gov portal, including the ability to view farm loan information. We'll continue to update you about new features as they become available.

If you do not have login information for farmers.gov, you can create your login profile, or eAuthentication by following the instructions at farmers.gov/sign-in.

The <u>Conservation Features User Guide</u> gives you step-by-step instructions on how to navigate farmers.gov and the <u>how-to video instructions</u> explain some of the popular features. If you need additional help, personal assistance is available at the farmers.gov Service Desk by selecting the "Help" link located at the top of the all authenticated portal pages and submitting a "Contact Us" request. NRCS field office staff are always available to assist you with your conservation questions and other needs.

# **USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers**



The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants and beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group

without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA offers Microloans through the direct loan program. Microloans focus on the financing needs of small, beginning farmer, niche, and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, please contact your local <u>USDA Service Center</u> or visit fsa.usda.gov/farmloans.

## **Applying for Youth Loans**

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

#### Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

For help preparing the application forms, please contact your local <u>USDA Service Center</u> or visit <u>fsa.usda.gov</u>.

# Maps for Acreage Reporting in Kentucky are Available

Maps are now available at your local Kentucky FSA Service Center for acreage reporting purposes. If you wish to receive your maps by e-mail, please call or email your local USDA Service Center.

#### 2021 Kentucky Acreage Reporting Dates:

- December 15: Fall seeded small grains. Example: Barley, Oats, Rye, Wheat.
   Preceding Year (Report 2020 for 2021)
- January 15: Peaches, Canola.
- July 15: Perennial Forage, CRP, all other crops.

#### ARC/PLC:

 2021 through 2023 election and enrollment is March 15 of each ARCPLC program year.

#### Crops with NAP Coverage:

- 30 -Aquaculture; Value loss and controlled environment crops (except Nursery).
   Examples: Christmas Trees, Crustaceans, Finfish, Flowers, Ginseng, Grass Sod.
   Preceding Year (Report 2020 for 2021).
- January 2 -Honey (Same Crop Year).
- May 31 –Nursery. Preceding Year (Report 2020 for 2021).

#### All Other NAP Crops are to be reported the earlier of:

- the Acreage Reporting dates above (or)
- 15 calendar days before the onset of harvest.

In order to maintain program eligibility and benefits, you must file timely acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may cause ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline. Producers are encouraged to file their acreage reports as soon as planting is completed.

## **May 2021 Selected Interest Rates**

Farm Loan Programs	
90-Day Treasury Bill	0.125%
Farm Operating Loans - Direct	1.750%
Farm Ownership Loans - Direct	3.250%
Limited Resource Loans	5.000%
Farm Ownership Loans - Direct FO Down Payment	1.500%
Emergency Loans	2.750%

Farm Programs Farm Storage Facility Loans	
3 Year	0.375%
5 Year	0.875%
7 Year	1.375%
10 Year	1.625%
12 Year	1.750%
15 Year	2.000%
Commodity Loans	1.125%
CCC Borrowing Rate	0.125%

## **Kentucky State FSA Office**

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