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### **Upcoming FSA Deadlines**

In our first newsletter of the new year you will find information on a wide variety of programs to serve Minnesota agriculture in 2022. This includes information on a disaster assistance program for producers of noninsured crops, cost share assistance for organic and transitioning operations, and how to determine which farm loans best align with your needs. The Minnesota Farm Service Agency looks forward to working with you on these programs and more in the coming year.

Due to the ongoing pandemic, many of our Minnesota service centers continue to operate with limited visitors, by appointment only. <u>Contact your local Service Center</u> to make an appointment. Service Center staff also continue to work with agricultural producers via phone, email, and other digital tools. FSA staff is committed to providing service to our customers and will explore all options to ensure timely assistance.

Several important program deadlines are coming up in the first part of the year. In addition to reviewing the reminders below, we encourage you to take a few minutes to read the articles included in this month's newsletter so you do not miss out on any USDA program benefits that may be available.

Many Minnesota livestock operations were significantly impacted by drought conditions in 2021. The deadline for filing a 2021 notice of loss for <u>livestock feed transportation</u>, <u>water transportation and honeybee feed losses</u> is **January 31, 2022**. The deadline to submit <u>Livestock Forage Program</u> applications for Payment for 2021 losses is also **January 31, 2022**.

The deadline for the <u>Organic and Transitional Education and Certification Program</u> (OTECP) through USDA FSA has been extended to **February 4, 2022**. For more information on OTECP and the Organic Certification Cost Share Program, see the article in the newsletter below.

The deadline for the <u>Dairy Margin Coverage</u> (DMC) program and <u>Supplemental DMC</u> program is **February 18**, **2022**. Recent updates have expanded the program to allow dairy producers to better protect their operations by enrolling supplemental production. This enrollment period enables producers to obtain coverage through this important safety-net program for another year, as well as get additional assistance through the new Supplemental DMC. Please see the <u>News Release</u> for more information.

March 15, 2022, is the deadline for the <u>Agriculture Risk Coverage and Price Loss Coverage Program</u>. More details on these programs and information on an upcoming <u>webinar with the University of Minnesota Extension</u> is available in the article below.

For more information on additional deadlines and important dates you can visit the <u>Minnesota FSA state</u> events website.

# Minnesota USDA Farm Service Agency and the University of Minnesota Extension to Hold Agriculture Risk Coverage and Price Loss Coverage Election Webinar on Jan. 26

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) in Minnesota is holding a public Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) webinar with the University of Minnesota Extension at 2 p.m. on Jan. 26, 2022. Farmers and others involved in agriculture will have an opportunity to learn more about the ARC/PLC programs and factors to consider when making elections for the 2022 crop year.

The ARC and PLC programs provide financial protections to farmers from substantial drops in crop prices or revenues and are vital economic safety-nets for most American farms. Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2022 crop year. Although election changes for 2022 are optional, enrollment (signed contract) is required for each year of the program. 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. The webinar will highlight program information and review coverage options.

You can join the Minnesota FSA and University of Minnesota Extension ARC/PLC webinar through the following link:

Wednesday, Jan. 26, 2:00 p.m. (CST) ARC/PLC Webinar for Minnesota

Click HERE to join the Jan. 26, 2 p.m. Minnesota Webinar

Participants can register in advance or the day of the webinar. The webinar will be recorded and posted for future viewing at <u>z.umn.edu/farmbill2022</u>.

Persons with disabilities who require accommodations to participate in this meeting should contact Daniel Mahoney at (651) 602-7710, or Federal Relay Service at 1-800-877-8339, and <a href="mailto:daniel.mahoney@usda.gov">daniel.mahoney@usda.gov</a> by January 20, 2022.

FSA is currently accepting applications for ARC/PLC enrollment through March 15, 2022. To learn more about ARC/PLC visit <u>fsa.usda.gov</u> or contact your local <u>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 USDA Service Centers are open to limited visitors. Producers should contact their 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 <a href="mailto:farmers.gov/coronavirus">farmers.gov/coronavirus</a>.

# USDA Invests \$2 Million in Risk Management Education for Historically Underserved and Small-Scale Producers

The U.S. Department of Agriculture (USDA) is investing up to \$2 million in cooperative agreements this year for risk management education and training programs that support historically underserved producers, small-scale farmers, and conservation practices. USDA's Risk Management Agency (RMA) is investing in organizations, such as nonprofit organizations, universities, and county cooperative extension offices, to develop training and education tools to help producers learn how to effectively manage long-term risks and challenges.

RMA works with partners to assist producers, especially historically underserved, farmers and ranchers, in effectively managing long-term risks and challenges. RMA re-established its support of risk management education in 2021, investing nearly \$1 million in nine risk management education projects. From 2002 to 2018, RMA provided annual funding for risk management education projects, supporting more than \$126 million worth of projects in historically underserved communities.

#### **How Organizations Can Apply**

A broad range of risk management training activities are eligible for funding consideration, including training on Federal crop insurance options, record keeping, financial management, non-insurance-based risk management tools, and natural disaster preparedness among others. Partners can also train farmers at all levels on risk management options that help secure local food systems.

This selection process is competitive, and RMA will prioritize projects focused on underserved, organic, and specialty crop producers. Additionally, organizations providing training related to climate change, wildfire response, local foods, and urban ag will also be given stronger consideration.

Interested organizations must apply by 5:59 pm Eastern Time on March 11 through the Results Verification System at <a href="res.umn.edu">rvs.umn.edu</a>.

Learn more.

# Waiver of DCIA Compliance for Commodity and Farm Storage Facility Loan Programs



On January 27, 2021, the Biden-Harris Administration suspended all debt collections, foreclosures, and other adverse actions for borrowers of direct farm loans and Farm Storage Facility Loans (FSFL) through USDA's Farm Service Agency (FSA) because of the national public health emergency caused by the Coronavirus pandemic.

It has been determined that the January 2021 suspension included a waiver of the Debt Collection Improvement Act (DCIA) noncompliance for issuing new Marketing Assistance Loans (MAL), Loan Deficiency Payments (LDP) or FSFL to borrowers who are in delinquent status with FSFL or farm loans.

Under normal circumstances, DCIA specifies that a person cannot obtain Federal financial assistance in the form of loans (other than disaster loans), loan insurance, or guarantees if that person has delinquent Federal non-tax debt. MAL, LDP, and FSFL programs administered by FSA are currently subject to these statutory constraints.

FSA county offices will review MALs, LDPs, and FSFLs that were previously denied on or after January 27, 2021, because of DCIA noncompliance. Offices will notify applicants of the waiver provisions and the opportunity to obtain a loan. All applicable eligibility requirements remain in place with the exception of DCIA waiver.

Reach out to your local FSA office for more information. To find your local office, visit <u>farmers.gov/service-locator</u>.

### **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.

# Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

Farmers and ranchers can use the *Farm Loan Discovery Tool* on farmers.gov to find information on USDA farm loans that may best fit their operations.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

#### How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will receive information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the Farm Loan Discovery Tool by visiting farmers.gov/fund and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

#### About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The Farm Loan Discovery Tool is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit <a href="farmers.gov/recover/disaster-assistance-tool#step-1">farmers.gov/recover/disaster-assistance-tool#step-1</a> to find disaster assistance programs that can help their operation recover from natural disasters.

For more information, contact your County USDA Service Center at or visit farmers.gov.

# Deadline Extended to Apply for Pandemic Support for Certified Organic and Transitioning Operations

The U.S. Department of Agriculture (USDA) has extended the deadline for agricultural producers who are certified organic, or transitioning to organic, to apply for the Organic and Transitional Education and Certification Program (OTECP). This program provides pandemic assistance to cover certification and education expenses. The deadline to apply for 2020 and 2021 eligible expenses is now Feb. 4, 2022, rather than the original deadline of Jan. 7, 2022.

Signup for OTECP, administered by USDA's Farm Service Agency (FSA), began Nov. 8.

Certified operations and transitional operations may apply for OTECP for eligible expenses paid during the 2020, 2021 and 2022 fiscal years. Signup for the 2022 fiscal year will be announced at a later date.

For each year, OTECP covers 25% of a certified operation's eligible certification expenses, up to \$250 per certification category (crop, livestock, wild crop, handling and State Organic Program fee). This includes application fees, inspection fees, USDA organic certification costs, state organic program fees and more.

Crop and livestock operations transitioning to organic production may be eligible for 75% of a transitional operation's eligible expenses, up to \$750, for each year. This includes fees charged by a certifying agent or consultant for pre-certification inspections and development of an organic system plan.

For both certified operations and transitional operations, OTECP covers 75% of the registration fees, up to \$200, per year, for educational events that include content related to organic production and handling in order to assist operations in increasing their knowledge of production and marketing practices that can improve their operations, increase resilience and expand available marketing opportunities. Additionally, both certified and transitional operations may be eligible for 75% of the expense of soil testing required under the National Organic Program (NOP) to document micronutrient deficiency, not to exceed \$100 per year.

Producers apply through their local FSA office and can also obtain one-on-one support with applications by calling 877-508-8364. The program application and additional information can be found at <a href="mailto:farmers.gov/otecp">farmers.gov/otecp</a>.

### **Additional Organic Support**

OTECP builds upon USDA's Organic Certification Cost Share Program (OCCSP) which provides cost share assistance of 50%, up to a maximum of \$500 per scope, to producers and handlers of agricultural products who are obtaining or renewing their certification under the NOP. Although the application period for OCCSP ended Nov. 1, 2021, FSA will consider late-filed applications for those operations who still wish to apply.

Meanwhile, USDA's Risk Management Agency (RMA) recently <u>made improvements to Whole-Farm Revenue</u> <u>Protection</u> to make it more flexible and accessible to organic producers.

To learn more about USDA's broader assistance for organic producers, visit usda.gov/organic.

### **USDA Announces Updates for Honeybee Producers**

The Farm Service Agency (FSA) previously announced updates to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) specific to honeybee producers. For honeybees, ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.



#### **Updates include:**

- Starting in 2020, you have 15 days from when the loss is first apparent, instead of 30 days, to file a
  honeybee notice of loss, which provides consistency between ELAP and the Noninsured Crop
  Disaster Assistance Program, which also has a 15-day notice of loss period for honey.
- ELAP will now run according to the calendar year. Since you are still required to apply for payment within 30 calendar days of the end of the program year, the new signup deadline for calendar year 2021 losses is January 30, 2022.
- If you were paid for the loss of a honeybee colony or hive in either or both of the previous two years, you will be required to provide additional documentation to substantiate how your current year inventory was acquired.

- If the honeybee colony loss was caused by Colony Collapse Disorder, you must provide a producer certification that the loss was a direct result of at least three of the five symptoms of Colony Collapse Disorder, which include:
- the loss of live queen and/or drone bee populations inside the hives;
- rapid decline of adult worker bee population outside the hives, leaving brood poorly or completely unattended;
- absence of dead adult bees inside the hive and outside the entrance of the hive;
- absence of robbing collapsed colonies; and
- at the time of collapse, varroa mite and Nosema populations are not at levels known to cause economic injury or population decline.

For more information contact the County USDA Service Center or visit

farmers.gov/recover.

## Higher Loan Limit Now Available for USDA Guaranteed Farm

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 farmers.gov/coronavirus.

### 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.

### Is the Noninsured Crop Disaster Assistance Program Right for You?



Farmers and ranchers rely on crop insurance to protect themselves from disasters and unforeseen events, but not all crops are insurable through the USDA's Risk Management Agency. The Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides producers another option to obtain coverage against disaster for these crops. NAP provides financial assistance to producers of non-insured crops impacted by natural disasters that result in lower yields, crop losses, or prevents crop planting.

Commercially produced crops and agricultural commodities for which crop insurance is not available are generally eligible for NAP. Eligible crops include those grown specifically for food, fiber, livestock consumption, biofuel or biobased products, or be commodities such as value loss crops like Christmas trees and ornamental nursery, honey, maple sap, and many others. Contact your FSA office to see which crops are eligible in your state and county.

Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind or hurricanes, earthquake, flood. These events must occur during the NAP policy coverage period, before or during harvest, and the disaster must directly affect the eligible crop. For guidance on causes of loss not listed, contact your local FSA county office.

Interested producers must apply for coverage using FSA form <u>CCC-471</u>, "Application for Coverage," and pay the applicable service fee at the FSA office where their farm records are maintained. These must be filed by the application closing date. Closing dates vary by crop, so it is important to contact your local FSA office as soon as possible to ensure you don't miss an application closing date.

At the time of application, each producer will be provided a copy of the <u>NAP Basic Provisions</u>, which describes how NAP works and all the requirements you must follow to maintain NAP coverage. NAP participants must provide accurate annual reports of their production in non-loss years to ensure their NAP coverage is beneficial to their individual operation.

Producers are required to pay service fees which vary depending on the number of crops and number of counties your operation is located in. The NAP service fee is the lesser of \$325 per crop or \$825 per producer per administrative county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Premiums also apply when producers elect higher levels of coverage with a maximum premium of \$15,750 per person or legal entity depending on the maximum payment limitation that may apply to the NAP covered producer. The service fee can be waived for beginning, qualifying veteran, and limited resource farmers and rancher., These farmers and ranchers can also receive a 50 percent reduction in the premium.

For more detailed information on NAP, download the <u>NAP Fact Sheet</u>. To get started with NAP, we recommend you contact your local USDA service center.

### Minnesota USDA Farm Service Agency

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Minnesota Farm Service To find contact information for your local USDA Farm Service Agency Office Agency go to: www.fsa.usda.gov/mn

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