

Pennsylvania State Newsletter - September 2021

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

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USDA Offers Disaster Assistance for Producers Facing Inclement Weather

Severe weather events create significant challenges and often result in catastrophic loss for agricultural producers. Despite every attempt to mitigate risk, your operation may suffer losses. USDA offers several programs to help with recovery.

Risk Management

For producers who have risk protection through <u>Federal Crop Insurance</u> or the <u>Noninsured Crop Disaster Assistance Program</u> (NAP), we want to remind you to report crop damage to your crop insurance agent or the local Farm Service Agency (FSA) office.

If you have crop insurance, contact your agency within 72 hours of discovering damage and be sure to follow up in writing within 15 days. If you have NAP coverage, file a Notice of Loss (also called Form CCC-576) within 15 days of loss becoming apparent, except for hand-harvested crops, which should be reported within 72 hours.

Disaster Assistance

USDA also offers disaster assistance programs, which is especially important to livestock, fruit and vegetable, specialty and perennial crop producers who have fewer <u>risk management</u> options.

First, the <u>Livestock Indemnity Program</u> (LIP) and <u>Emergency Assistance for Livestock</u>, <u>Honeybee and Farm-raised Fish Program</u> (ELAP) reimburses producers for a portion of the value of livestock, poultry and other animals that died as a result of a qualifying natural disaster event or for loss of grazing acres, feed and forage. And, the <u>Livestock Forage</u> <u>Disaster Program</u> (LFP) provides assistance to producers of grazed forage crop acres that

have suffered crop loss due to a qualifying drought. Livestock producers suffering the impacts of drought can also request <u>Emergency Haying and Grazing</u> on Conservation Reserve Program (CRP) acres.

Next, the <u>Tree Assistance Program</u> (TAP) provides cost share assistance to rehabilitate and replant tree, vines or shrubs loss experienced by orchards and nurseries. This complements NAP or crop insurance coverage, which cover the crop but not the plants or trees in all cases.

For LIP and ELAP, you will need to file a Notice of Loss for livestock and grazing or feed losses within 30 days and honeybee losses within 15 days. For TAP, you will need to file a program application within 90 days.

Documentation

It's critical to keep accurate records to document all losses following this devastating cold weather event. Livestock producers are advised to document beginning livestock numbers by taking time and date-stamped video or pictures prior to after the loss.

Other common documentation options include:

- Purchase records
- Production records
- Vaccination records
- Bank or other loan documents
- Third-party certification

Other Programs

The <u>Emergency Conservation Program</u> and <u>Emergency Forest Restoration Program</u> can assist landowners and forest stewards with financial and technical assistance to restore damaged farmland or forests.

Additionally, FSA offers a variety of loans available including emergency loans that are triggered by disaster declarations and operating loans that can assist producers with credit needs. You can use these loans to replace essential property, purchase inputs like livestock, equipment, feed and seed, or refinance farm-related debts, and other needs.

Meanwhile, USDA's Natural Resources Conservation Service (NRCS) provides financial resources through its <u>Environmental Quality Incentives Program</u> to help with immediate needs and long-term support to help recover from natural disasters and conserve water resources. Assistance may also be available for emergency animal mortality disposal from natural disasters and other causes.

Additional Resources

Additional details – including payment calculations – can be found on our <u>NAP</u>, <u>ELAP</u>, <u>LIP</u>, and <u>TAP</u> fact sheets. On farmers.gov, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster-at-a-Glance fact sheet</u>, and <u>Farm Loan Discovery Tool</u> can help you determine program or loan options.

While we never want to have to implement disaster programs, we are here to help. To file a Notice of Loss or to ask questions about available programs, contact your local USDA Service Center. All <u>USDA Service Centers</u> are open for business, including those that restrict inperson visits or require appointments because of the pandemic.

USDA Updates Pandemic Assistance for Livestock, Poultry Contract Producers and Specialty Crop Growers

USDA Sets Oct. 12 Deadline for CFAP 2

The U.S. Department of Agriculture (USDA) is updating the Coronavirus Food Assistance Program 2 (CFAP 2) for contract producers of eligible livestock and poultry and producers of specialty crops and other sales-based commodities. CFAP 2, which assists producers who faced market disruptions in 2020 due to COVID-19, is part of USDA's broader Pandemic Assistance for Producers initiative. Additionally, USDA's Farm



Service Agency (FSA) has set an Oct. 12 deadline for all eligible producers to apply for or modify applications for CFAP 2.

Assistance for Contract Producers

The Consolidated Appropriations Act, 2021, provides up to \$1 billion for payments to contract producers of eligible livestock and poultry for revenue losses from Jan. 1, 2020, through Dec. 27, 2020. Contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail may be eligible for assistance. This update includes eligible breeding stock and eggs of all eligible poultry types produced under contract.

Payments for contract producers were to be based on a comparison of eligible revenue for the periods of Jan. 1, 2019, through Dec. 27, 2019, and Jan. 1, 2020, through Dec. 27, 2020. Today's changes mean contract producers can now elect to use eligible revenue from the period of Jan. 1, 2018, through Dec. 27, 2018, instead of that date range in 2019 if it is more representative. This change is intended to provide flexibility and make the program more equitable for contract producers who had reduced revenue in 2019 compared to a normal production year. The difference in revenue is then multiplied by 80% to determine a final payment. Payments to contract producers may be factored if total calculated payments exceed the available funding and will be made after the application period closes.

Additional flexibilities have been added to account for increases to operation size in 2020 and situations where a contract producer did not have a full period of revenue from Jan. 1 to Dec. 27 for either 2018 or 2019. Assistance is also available to new contract producers who began their farming operation in 2020.

Updates for Sales-Based Commodities

USDA is amending the CFAP 2 payment calculation for sales-based commodities, which are primarily comprised of by specialty crops, to allow producers to substitute 2018 sales for 2019 sales. Previously, payments for producers of sales-based commodities were based only on 2019 sales, with 2019 used as an approximation of the amount the producer would have expected to market in 2020. Giving producers the option to substitute 2018 sales for this

approximation, including 2018 crop insurance indemnities and 2018 crop year Noninsured Disaster Assistance Program (NAP) and Wildfire and Hurricane Indemnity Program Plus (WHIP+) payments, provides additional flexibility to producers of sales-based commodities who had reduced sales in 2019.

Grass seed has also been added as an eligible sales commodity for CFAP 2. A complete list of all eligible sales-based commodities can be found at farmers.gov/cfap2/commodities.. Producers of sales-based commodities can modify existing applications.

Applying for Assistance

Newly eligible producers who need to submit a CFAP 2 application or producers who need to modify an existing one can do so by contacting their local FSA office. Producers can find their local FSA office by visiting farmers.gov/service-locator. Producers can also obtain one-on-one support with applications by calling 877-508-8364. All new and modified CFAP 2 applications are due by the Oct. 12 deadline.

USDA Announces Pandemic Assistance for Timber Harvesters and Haulers



The U.S. Department of Agriculture (USDA) is providing up to \$200 million to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19 as part of USDA's Pandemic Assistance for Producers initiative. Loggers and truckers can apply for assistance through USDA's Farm Service Agency (FSA) July 22 through Oct. 15, 2021. The Pandemic Assistance for Timber Harvesters and Haulers program (PATHH) is administered by

FSA in partnership with the U.S. Forest Service.

The Consolidated Appropriations Act, 2021, authorized this critical assistance for the timber industry. Timber harvesting and hauling businesses that have experienced a gross revenue loss of at least 10% during the period of Jan. 1 and Dec. 1, 2020, compared to the period of Jan. 1 and Dec. 1, 2019, are encouraged to apply.

Program Details

To be eligible for payments, individuals or legal entities must be a timber harvesting or timber hauling business where 50% or more of its gross revenue is derived from one or more of the following:

- · Cutting timber.
- Transporting timber.
- Processing of wood on-site on the forest land (chipping, grinding, converting to biochar, cutting to smaller lengths, etc.).

Payments will be based on the applicant's gross revenue received from Jan. 1, 2019, through Dec. 1, 2019, minus gross revenue received from Jan. 1, 2020, through Dec. 1, 2020, multiplied by 80%. FSA will issue an initial payment equal to the lesser of the calculated payment amount or \$2,000 as applications are approved. A second payment will be made after the signup period has ended based upon remaining PATHH funds.

The maximum amount that a person or legal entity may receive directly is \$125,000.

Applying for Assistance

Loggers and truckers can apply for PATHH beginning on July 22 by completing form FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers Program application, and certifying to their gross revenue for 2019 and 2020 on the application. Additional documentation may be required. Visit farmers.gov/pathh for more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery, or via electronic means. To find a local FSA office, loggers and truckers can visit farmers.gov/service-locator. They can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

USDA to Invest \$50 Million in New Cooperative Agreements for Racial Justice and Equity

USDA is investing up to \$50 million in cooperative agreements to support historically underserved farmers and ranchers with climate-smart agriculture and forestry. The Racial Justice and Equity Conservation Cooperative Agreements are available to entities and individuals for two year projects that expand the delivery of conservation assistance to farmers who are beginning, limited resource, socially disadvantaged, and veteran farmers.

The projects should help historically underserved farmers and ranchers in implementing natural resources conservation practices that:

- Improve soil health;
- Improve water quality;
- Provide habitat for local wildlife species of concern;
- Improve the environmental and economic performance of working agricultural land;
 and
- Build and strengthen local food projects that provide healthy food and economic opportunities.

Projects should remove barriers to access and reach historically underserved groups through a combination of program outreach and technical assistance in managing natural resources that address one or more of the following four NRCS priority areas:

- Addressing local natural resource issues;
- Using climate-smart agriculture practices and principles;
- Encouraging existing and new partnerships; and
- Developing state and community-led conservation leadership for historically underserved agricultural producers, including educating and training students for careers in natural resources management.

Entities and individuals who provide outreach assistance to historically underserved groups are eligible, including:

- Native American tribal governments and organizations
- Nonprofit organizations
- Private and public institutions of higher education
- Individuals

Applications must be received by 11:59 p.m. Eastern Standard Time on October 25, 2021. See the grants.gov announcement for details and application instructions.

A USDA Conservation Innovation Grant (CIG) project is trying to reimagine how carbon markets can work with and for small landholders. The Family Forest Carbon Program (FFCP), led by the American Forest Foundation (AFF) and The Nature Conservancy, bases carbon payments on specific forest management practices that have been scientifically shown to increase the amount of carbon that gets removed from the atmosphere and stored in the trees and soil. The project's goal is to facilitate the participation of nearly 300 million acres of family-owned American forests in carbon markets.

While the FFCP is still in its early stages, it has been successfully piloted in the Central Appalachian Region. The program has about 50 contracts with landowners, representing over 6,000 acres of forested land. This led to more funding, with the tech giant Amazon gifting about \$7.5 million to the project in April 2020. According to the AFF, if 20% of U.S. family forest acres adopted practices that optimized carbon sequestration, about 3.5 gigatons of carbon dioxide equivalent would be sequestered by the end of the century.

CIG is a competitive program that supports the development of new tools, approaches, practices, and technologies to further natural resource conservation on private lands. Through creative problem solving and innovation, CIG partners work to address our nation's water quality, air quality, soil health and wildlife habitat challenges, all while improving agricultural operations.

For more details on how USDA's Natural Resources Conservation Service is working with landholders to promote natural climate solutions, view the <u>Can Family-Owned Forests Help</u> the U.S. Achieve a Low-Carbon Future page.

SBA Economic Injury Disaster Loans Available

Small nonfarm businesses in PA may be eligible to apply for low-interest federal disaster loans from the U.S. Small Business Administration. By law, SBA makes Economic Injury Disaster Loans available when the U.S. Secretary of Agriculture designates an agricultural disaster.

SBA eligibility covers both the economic impacts on businesses dependent on farmers and ranchers that have suffered agricultural production losses caused by the disaster and businesses directly impacted by the disaster.

Small nonfarm businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private nonprofit organizations of any size may qualify for Economic Injury Disaster Loans of up to \$2 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred.

Eligibility for these loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 3 percent for businesses and 2 percent for private nonprofit organizations, a maximum term of 30 years and are available to small businesses and most private nonprofits without the financial ability to offset the adverse impact without hardship.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency about the U.S. Department of Agriculture assistance made available by the Secretary's declaration. However, nurseries are eligible for SBA disaster assistance in drought disasters.

Applicants may apply online, receive additional disaster assistance information and download applications at https://disasterloanassistance.sba.gov/. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance.



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