

### U.S. DEPARTMENT OF AGRICULTURE

Arkansas USDA Newsletter - January 2022

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## Message from Arkansas Natural Resources Conservation Service (NRCS) State Conservationist Mike Sullivan

USDA's Natural Resources Conservation Service (NRCS) assists farmers, ranchers and foresters with conservation practices on their operations. Now that the new year has begun, this could be a good time to review your farm's conservation plan. A conservation plan identifies your conservation objectives and assesses and analyzes the natural resources issues on your land.

The conservation plan includes tools and resources customized specifically for you, like a land use map, soils information, photos, inventory of resources, economic costs and benefits,

schedule of recommended practices, maintenance schedules, and engineering notes — all based on your goals and the resource needs.

This technical assistance from NRCS is free, and it can help you reduce soil loss from erosion, solve issues with soil, air and water quality, reduce potential damage from excess water and drought, enhance the quality of wildlife habitat, address waste management concerns, and improve the long-term sustainability.

How does conservation planning work? You will meet with your local NRCS district conservationist or conservation planning technician for a science-based evaluation of your problems and opportunities on your land. The NRCS staff member then analyzes the findings and recommends the best strategies to address your problems and achieve valuable conservation opportunities and objectives.

For additional information, contact your local USDA Service Center <u>https://offices.sc.egov.usda.gov/locator/app</u>.

#### **Important Dates to Remember**

Applications for the 2022 Environmental Quality Incentives Program - Cover Crop Initiative Accepted through Jan. 28, 2022, however through the streamlined application and contract approval approach, applications will be assessed and ranked as they are submitted to the field service center.

Project proposals for both components of Regional Conservation Partnership Program (RCPP) accepted through April 13, 2022. View the funding opportunity for RCPP Classic and RCPP Alternative Funding Arrangements on grants.gov.

## Introducing Arkansas Farm Service Agency's (FSA) New State Executive Director - Doris Washington

Arkansas FSA would like to introduce Doris Washington as our new State Executive Director (SED). Ms. Washington was recently appointed by the Biden Administration and officially joined the Arkansas FSA team on Jan. 3, 2022.

Ms. Washington previously served as the Acting Deputy Chief for Management and Strategy for USDA's Natural Resources Conservation Service. Prior to serving as the Acting Deputy Chief, she served as the USDA Director for the National Water Management Center in Little Rock. Bringing over 34 years with USDA as an expert in crops and natural resources science, she has hands on experience serving as a District Conservationist, Acting State Conservationist and National Team Leader for



Administrative Transformation for NRCS. She has received many awards throughout her career including the USDA Honors Award for change management within the federal agency.

Ms. Washington is also a United States Army National Guard Veteran with over 10 years of service as an Officer in the Arkansas Army National Guard.

As SED, Ms. Washington will be responsible for overseeing the delivery of FSA programs to agricultural producers in Arkansas. These commodity, conservation, credit, and disaster assistance programs ensure a safe, affordable, abundant, and nutritious food, fiber, and fuel supply for consumers.

## USDA Natural Resources Conservation Service Accepting 2022 EQIP- Cover Crop Initiative Applications through Jan. 28, 2022

The U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) in Arkansas will provide \$5.2 million in fiscal year 2022 for the utilization of cover crops on agricultural land. The counties included as part of this targeted effort to improve soil health through the Environmental Quality Incentives Program (EQIP) are: Craighead, Lee, Mississippi, Monroe, Phillips, and St. Francis.

The EQIP Cover Crop Initiative (CCI) is aimed at improving soil health with conservation practice standard (CPS) 340 – Cover Crop through a targeted, rapid, and streamlined application and contract approval process. Through this initiative, NRCS can support the goals of agricultural producers and increase the critical benefits that cover crops provide.

"Cover crops have the potential to provide multiple benefits in a cropping system including preventing soil and wind erosion, supply nutrients and improving the availability of soil water," said Mike Sullivan, NRCS state conservationist in Arkansas. "This funding will provide an opportunity for producers in the selected counties to plant the best cover crop species to meet their production and conservation goals for their farms."

The EQIP-CCI application deadline is January 28, 2022, however through the streamlined application and contract approval approach, applications will be assessed and ranked as they are submitted to the field service center. Based on funds availability, application assessments with a ranking score of 100 points or greater will be preapproved immediately for the second batch of funding. Producers are encouraged to apply for the CCI funds at their earliest convenience. Funds will be obligated to selected applicants no later than February 11, 2022, for the second batch of funding. Additional sign-up batches may be announced at a later date, subject to the availability of funding.

Cover crops have the potential to provide multiple benefits in a cropping system. To learn more about cover crop termination guidelines, selection tools and more, visit the <u>NRCS Cover</u> <u>Crops and Soil Health webpage</u>.

All USDA Service Centers are open for business, including those that restrict in-person visits or require appointments due to the pandemic. Service Center staff continue to work with agricultural producers by appointment and via phone, email, and other digital tools. Visitors wishing to conduct business with NRCS should call ahead and schedule an appointment. To locate a local field office, visit <a href="https://www.nrcs.usda.gov/wps/portal/nrcs/ar/contact/local/">https://www.nrcs.usda.gov/wps/portal/nrcs/ar/contact/local/</a>.

## USDA Natural Resources Conservation Service Accepting 2022 Applications for Financial Assistance in Four Arkansas RCPP Projects

Farmers and landowners in four USDA Natural Resources Conservation Service (NRCS) Regional Conservation Partnership Program (RCPP) projects in Arkansas can apply to receive assistance to implement conservation activities. The projects will offer financial assistance to landowners in fiscal year 2022.

Farmers and landowners in Arkansas who submit applications to their local NRCS office by Feb. 18 will be considered for this round of funding. Applications received after Feb. 18 will be considered in later funding periods, subject to funding availability.

"RCPP is a unique program that leverages non-federal investments brought by conservation partners to accelerate conservation in selected project areas," said Arkansas NRCS State Conservationist Mike Sullivan. "This approach helps us maximize use of our collective resources to address locally identified concerns."

The RCPP projects and associated counties with projects are:

- Buffalo River Partnership Project (portions of Baxter, Boone, Madison, Marion, Newton, Pope, Searcy, Stone, and Van Buren counties): The project is designed to collaborate with interested farmers and landowners to increase agricultural sustainability by implementing voluntary conservation practices within the Buffalo River Watershed. Partners seek to collaborate with local farmers, landowners and community leaders in priority watersheds to identify resource concerns and conservation practices to improve farm sustainability and water quality, reduce sediment and nutrient loads to the Buffalo River by providing technical and financial assistance to implement practices that improves pasture and nutrient management, restore eroding streambanks to prevent loss of pastureland and reduce maintenance costs and sediment loads from erosion of unpaved roads, and assist interested landowners conserve key conservation lands to prevent future erosion and nutrient loads in the Buffalo River watershed. (Lead Partner: The Nature Conservancy)
- Conservation Delivery Network (CDN) Open Pine Land Restoration Project (portions of Ashley, Bradley, Calhoun, Clark, Drew, Lincoln, Nevada, Ouachita counties): The AR-LA Conservation Delivery Network Open Pine Landscape Restoration partnership will advance the recovery of species of conservation concern by implementing Desired Forest Condition management practices across 30,000 acres of private lands in Arkansas and Louisiana. American Bird Conservancy and 19 partners plan to use several innovative tools and approaches to target funding to lands critical for the protection of species such as Northern Bobwhite, Henslow's and LeConte's sparrows, Louisiana Pine Snake, and Red-cockaded Woodpecker. Partnerships with the University of Arkansas-Pine Bluff and other entities will help ensure that Historically Underserved farmers participate meaningfully in the project. (Lead Partner: American Bird Conservancy)
- Mid-South Graduated Stewardship Program (Arkansas, Ashley, Chicot, Clay, Conway, Craighead, Crittenden, Cross, Desha, Drew, Faulkner, Greene, Independence, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Mississippi, Monroe, Phillips, Poinsett, Pope, Prairie, Pulaski, Randolph, St. Francis, White, and Woodruff counties): The economically distressed Lower Mississippi River Valley region of the United States has long been fighting an uphill battle to retain groundwater levels, improve water quality, and provide a suitable habitat for the diverse array of wildlife that inhabit the region. The Mississippi River Alluvial Aquifer serves as a vital and valuable irrigation source for rice farmers throughout the region. Decades of annual withdrawals in excess of the aquifer's recharge capabilities have resulted in severely declining water levels that threaten the entire region's viability and could result in regulation for farmers. To address this, USA Rice partnered with Ducks Unlimited and more than 20 other partners in the original RCPP that targeted all levels of producers across the conservation spectrum, from those who are just beginning their conservation efforts, to those who are on the cutting edge of conservation innovation and incentivized them to increase conservation efforts at every level. This renewal will be doing the same with a primary focus on source water depletion, and additional resource concerns of terrestrial habitat, inefficient energy use, and field sediment, nutrient and pathogen loss. (Lead Partner: USA Rice)

 Little Red River Water Improvement Project (White County): The Little Red River Regional Irrigation Water District was formed in 1991 with a goal of creating sustainable sources of irrigation water throughout parts of White County Arkansas. The district obtained funding through the USDA Natural Resources Conservation Service for the purpose of encouraging irrigated cropland producers within project boundaries to install water quality and quantity practices though the RCPP. The district has a successful history of working with landowners to achieve substantial results. Previous conservation efforts have helped producers address aquifer depletion, water quality and related resource concerns in the project area; however, many resource concerns remain in need of treatment. The RCPP funding received will greatly enhance previous works and will help move the project forward. (Lead Partner: The Little Red River Regional Irrigation Water District)

Individuals and other entities actively engaged in agricultural production are eligible to participate in RCPP. RCPP offers a continuous application sign-up. However, to be considered for funding, applications must be received by Feb. 18. Applicants can sign up for the 2022 program year by contacting their local USDA NRCS field service center.

All applications will be evaluated for funding based on how well they align with project priorities using procedures to optimize environmental benefits. Applications ranking highest in a funding category will be funded according to priority and is subject to availability of program funds.

All USDA Service Centers are open for business, including those that restrict in-person visits or require appointments. All Service Center visitors wishing to conduct business with NRCS or any other Service Center agency should call ahead and schedule an appointment.

Online services are available to customers with an eAuth account, which provides access to the <u>farmers.gov</u> portal where producers can view USDA farm loan information and payments and view and track certain USDA program applications and payments. Customers who do not already have an eAuth account can enroll at <u>farmers.gov/sign-in</u>. Online NRCS services are available to customers through the <u>Conservation Client Gateway</u> link which can be found at <u>www.nrcs.usda.gov</u>. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents.

RCPP promotes coordination of NRCS conservation activities with partners that offer valueadded contributions to expand our collective ability to address on-farm, watershed, and regional natural resource concerns. Through RCPP, NRCS seeks to co-invest with partners to implement projects that demonstrate innovative solutions to conservation challenges and provide measurable improvements and outcomes tied to the resource concerns they seek to address.

For more information, visit <u>http://www.ar.nrcs.usda.gov/</u>or contact by phone your local USDA/NRCS Field Service Center.

## USDA Invests \$50 Million in Partnerships to Improve Equity in Conservation Programs, Address Climate Change

The U.S. Department of Agriculture (USDA) is investing \$50 million in 118 partnerships to expand access to conservation assistance for climate-smart agriculture and forestry. The Equity Conservation Cooperative Agreements, administered by USDA's Natural Resources Conservation Service (NRCS) will fund two-year projects to expand the delivery of conservation assistance to farmers who are new to farming, low income, socially

disadvantaged or military veterans. Projects will support USDA's broader effort to address climate change and equitable access to programs.

"We are committed to equal opportunity for those we serve, and we are taking bold, historic action to advance equity and root out generations of systemic racism," Agriculture Secretary Tom Vilsack said. "These partnerships are another example of how we are helping ensure historically underserved producers can more fully access and participate in our programs and services. As we've said before: equity will be a vital part of our climate change work, as America's farmers and rural communities are on the frontlines of climate change. Our work with producers and partners will invest in climate smart solutions that improve profitability and resilience, open new market opportunities, and build wealth that stays in rural communities."

The program encourages new partnerships and the development of state and community conservation leadership for historically underserved producers, with projects focusing on one or more of the following key conservation priorities:

- Improving soil health and water quality;
- Providing habitat for at-risk wildlife;
- Improving natural resources and productivity on agricultural lands; and/or
- Building and strengthening local and regional food systems and markets.

"The new Equity Conservation Cooperative Agreements help historically undeserved farmers with conservation and climate smart agriculture," said Mike Sullivan, NRCS state conservationist in Arkansas. "We are committed to the values of equity and inclusion. These cooperative agreements are another step in the right direction expanding access to conservation assistance for climate-smart agriculture and forestry."

Among the Arkansas partnerships are:

- American Forest Foundation (states included Alabama, Arkansas, Georgia, North Carolina, Texas and Virginia) Project Title Growing the SFLR Network to Reach More Historically Underserved Landowners and Provide Climate Smart Solutions
- Arkansas Land & Community Development Corp. (states included Arkansas, Mississippi, and Tennessee) Project Title - Arkansas Land and Community Development Corporation (ALCDC) Conservation Justice Equity and Equality Collaboration Project
- The Central Arkansas Sphinx Foundation; A Nonprofit Corp. (state included Arkansas) Project Title - Assist and mobilize socially disadvantages customers\partnerships to address food insecurity utilizing urban\small-scale agriculture
- James Bunch (states included Arkansas, Iowa, Mississippi, North Carolina) Project Title - Strengthen Historically Underserved Communities Through Healthy Food Production systems Utilizing the Seasonal High Tunnel System
- The KKAC Organization (states included Arkansas, Florida, Louisiana, Mississippi, North Carolina) Project Title - Equity in Conservation Programs for Socially Disadvantaged Producers through Outreach
- Nolo Martinez (states included Nationwide) Project Title Champions in Conservation and Climate-Smart Agriculture (CCCSA) "Campeones en conservación y la agricultura climáticamente inteligente"
- Intertribal Agriculture Council (states included Nationwide) Project Title -Embracing Culturally Relevant Outreach Techniques to Serve Socially Disadvantaged Tribal Producers

- Louis E. James (states included Alabama, Arkansas, Georgia, Mississippi, North Carolina, and Tennessee) Project Title Six-State Climate Smart Agriculture Outreach and Technical Assistance
- Morehouse Parish Black Farmers & Landowner Assoc. (states included Arkansas, Louisiana, Mississippi) Project Title - Leveling the Playing Field: Conserving the Ark-LA-Miss Delta's Natural Resources
- Third Sector New England, Inc. (states included Nationwide) Project Title Expanding Equity and Conservation for Refugee Beginning Farmers
- Uncle Jerry's Farms, Inc. (states included Arkansas, Louisiana, Mississippi) Project Title - Outreach to historically underserved farmers and ranchers to provide access to information via drone technology to increase economic yield, adapt to changing weather patterns, and enroll additional participation in NRCS programs.
- The University of Arkansas at Pine Bluff (UAPB) (state included Arkansas) Project Title - University of Arkansas at Pine Bluff Racial Equity and Justice Conservation Outreach Training Program
- Winston County Self Help Cooperative (states included Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas and Virginia) Project Title - Stronger Together: Assisting Historically Undeserved Farmers & Ranchers Implement Natural Resources Conservation Practices Across the Rural Southern Black Belt

#### View a full list of the partnerships.

#### More Information

These partnerships are part of USDA's broader efforts to address inequity in program delivery. USDA touches the lives of all Americans each day in many positive ways. USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

## USDA to Invest up to \$225 Million in Partner-Driven Conservation on Agricultural and Forest Land

The U.S. Department of Agriculture today announced up to \$225 million in available funding for conservation partners through the Regional Conservation Partnership Program (RCPP). RCPP is a partner-driven program that leverages collective resources to find solutions to address natural resource challenges on agricultural land. This year's funding announcements include opportunities for projects that address climate change, benefit historically underserved producers and support urban agriculture.

"RCPP is public-private partnership at its best," said Natural Resources Conservation Service (NRCS) Arkansas State Conservationist Mike Sullivan. "We're harnessing the power of partnership to create lasting solutions to global challenges, like climate change, and support producers and communities who have been underserved in the past."

There are two types of funding opportunities under RCPP: RCPP Classic and RCPP Alternative Funding Arrangements (AFA). RCPP Classic projects are implemented using NRCS contracts and easements with producers, landowners and communities, in

collaboration with project partners. Through RCPP AFA, partners have more flexibility in working directly with agricultural producers to support the development of new conservation structures and approaches that would not otherwise be available under RCPP Classic. Project types that may be suited to AFA, as highlighted by the 2018 Farm Bill include:

- Projects that use innovative approaches to leverage the federal investment in conservation.
- Projects that deploy a pay-for-performance conservation approach.
- Projects that seek large-scale infrastructure investment that generate conservation benefits for agricultural producers and nonindustrial private forest owners.

USDA is accepting project proposals for both components of RCPP through 11:59 p.m. on April 13, 2022. View the funding opportunity on grants.gov for <u>RCPP Classic</u> and <u>RCPP AFA</u>.

Additionally, a webinar with general program information for RCPP applicants is scheduled for 3-4:30 p.m. ET on Jan. 20, 2022. Visit the <u>RCPP website</u> for information on how to participate.

Funding is open to agriculture and silviculture associations, non-government organizations, Indian tribes, state and local governments, conservation districts and universities, among others.

Partners are expected to offer value-added contributions to amplify the impact of RCPP funding in an amount equal to or greater than the NRCS investment.

Private landowners can apply to participate in an RCPP project in their region through awarded partners or at their local <u>USDA service center</u>.

#### **More Information**

First authorized in the 2014 Farm Bill, RCPP has leveraged partner contributions of more than \$1 for every \$1 invested by USDA, resulting in nearly \$3 billion collectively invested in natural resource conservation on private lands. Since inception, RCPP has made 579 awards involving over 3,000 partner organizations. Currently there are 408 active projects, with at least one active project in every state and area. Successful RCPP projects provide innovative conservation solutions, leverage partner contributions and offer impactful and measurable outcomes.

The RCPP announcement builds on other efforts by the Biden-Harris Administration to address climate change. Earlier, NRCS announced a new <u>Cover Crop Initiative</u>, available through the Environmental Quality Incentives Program (EQIP) to help agricultural producers mitigate climate change through the widespread adoption of cover crops. NRCS also announced the signup for <u>EQIP Conservation Incentive Contracts</u> and <u>an improvement to the Conservation Stewardship Program</u> (CSP).

USDA's Risk Management Agency (RMA) announced details of the new <u>Post Application</u> <u>Coverage Endorsement</u>, providing coverage for corn producers who "split apply nitrogen," a more conservation friendly way to apply fertilizer.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <u>www.usda.gov</u>.

# 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>.

## USDA Provides Additional Pandemic Assistance to Hog Producers

The U.S. Department of Agriculture (USDA) announced a new program to assist hog producers who sold hogs through a negotiated sale during the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic. The Spot Market Hog Pandemic Program (SMHPP) is part of USDA's <u>Pandemic Assistance for Producers</u> initiative and addresses gaps in previous assistance for hog producers. USDA's Farm Service Agency (FSA) will accept applications Dec. 15, 2021 through Feb. 25, 2022.

SMHPP provides assistance to hog producers who sold hogs through a negotiated sale from April 16, 2020 through Sept. 1, 2020. Negotiated sale, or negotiated formula sale, means a sale of hogs by a producer to a packer under which the base price for the hogs is determined by seller-buyer interaction and agreement on a delivery day. USDA is offering SMHPP as packer production was reduced due to the COVID-19 pandemic due to employee illness and supply chain issues, resulting in fewer negotiated hogs being procured and subsequent lower market prices.

The Department has set aside up to \$50 million in pandemic assistance funds through the Coronavirus Aid, Relief and Economic Security (CARES) Act for SMHPP.

#### **SMHPP Program Details**

Eligible hogs include hogs sold through a negotiated sale by producers between April 16, 2020, and Sept. 1, 2020. To be eligible, the producer must be a person or legal entity who has ownership in the hogs and whose production facilities are located in the United States, including U.S. territories. Contract producers, federal, state and local governments, including public schools and packers are not eligible for SMHPP.

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of \$54 per head. FSA will issue payments to eligible hog producers as applications are received and approved.

#### **Applying for Assistance**

Eligible hog producers can apply for SMHPP starting Dec. 15, 2021, by completing the FSA-940, Spot Market Hog Pandemic Program application. Additional documentation may be required. Visit <u>farmers.gov/smhpp</u> for a copy of the Notice of Funds Availability, information on applicant eligibility and 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 your local FSA office, visit <u>farmers.gov/service-locator</u>. Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

## USDA Opens 2022 Signup for Dairy Margin Coverage, Expands Program for Supplemental Production

As part of the Biden-Harris Administration's ongoing efforts to support dairy farmers and rural communities, today the U.S. Department of Agriculture (USDA) opened signup for the Dairy Margin Coverage (DMC) program and expanded the program to allow dairy producers to better protect their operations by enrolling supplemental production. This signup period – which runs from Dec. 13, 2021 to Feb. 18, 2022 – enables producers to get coverage through this important safety-net program for another year as well as get additional assistance through the new Supplemental DMC.

Supplemental DMC will provide \$580 million to better help small- and mid-sized dairy operations that have increased production over the years but were not able to enroll the additional production. Now, they will be able to retroactively receive payments for that supplemental production. Additionally, USDA's Farm Service Agency (FSA) updated how feed costs are calculated, which will make the program more reflective of actual dairy producer expenses.

#### Supplemental DMC Enrollment

Eligible dairy operations with less than 5 million pounds of established production history may enroll supplemental pounds based upon a formula using 2019 actual milk marketings, which will result in additional payments. Producers will be required to provide FSA with their 2019 Milk Marketing Statement.

Supplemental DMC coverage is applicable to calendar years 2021, 2022 and 2023. Participating dairy operations with supplemental production may receive retroactive supplemental payments for 2021 in addition to payments based on their established production history.

Supplemental DMC will require a revision to a producer's 2021 DMC contract and must occur before enrollment in DMC for the 2022 program year. Producers will be able to revise 2021 DMC contracts and then apply for 2022 DMC by contacting their local <u>USDA Service Center</u>.

#### DMC 2022 Enrollment

After making any revisions to 2021 DMC contracts for Supplemental DMC, producers can sign up for 2022 coverage. DMC provides eligible dairy producers with risk management coverage that pays producers when the difference between the price of milk and the cost of feed falls below a certain level. So far in 2021, DMC payments have triggered for January through October for more than \$1.0 billion.

For DMC enrollment, producers must certify with FSA that the operation is commercially marketing milk, sign all required forms and pay the \$100 administrative fee. The fee is waived for farmers who are considered limited resource, beginning, socially disadvantaged, or a military veteran. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the <u>online dairy decision tool</u>.

#### **Updates to Feed Costs**

USDA is also changing the DMC feed cost formula to better reflect the actual cost dairy farmers pay for high-quality alfalfa hay. FSA will calculate payments using 100% premium alfalfa hay rather than 50%. The amended feed cost formula will make DMC payments more reflective of actual dairy producer expenses.

#### **Additional Dairy Assistance**

Today's announcement is part of a broader package to help the dairy industry respond to the pandemic and other challenges. USDA is also amending Dairy Indemnity Payment Program (DIPP) regulations to add provisions for the indemnification of cows that are likely to be not marketable for longer durations, as a result, for example, of perand polyfluoroalkyl substances. FSA also worked closely with USDA's Natural Resources

Conservation Service to target assistance through the Environmental Quality Incentives Program) and other conservation programs to help producers safely dispose of and address resource concerns created by affected cows. Other recent dairy announcements include \$350 million through the Pandemic Market Volatility Assistance Program and \$400 million for the Dairy Donation Program.

Additional details on these changes to DMC and DIPP can be found in a rule that will be published soon in the *Federal Register*. This rule also included information on the new Oriental Fruit Fly Program as well as changes to FSA conservation programs. A copy of the rule is available <u>here</u>.

#### More Information

To learn more or to participate in DMC or DIPP, producers should contact their local <u>USDA</u> <u>Service Center</u>. Service Center staff continue to work with agricultural producers via phone, email and other digital tools. Because of the pandemic, some 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 <u>farmers.gov/coronavirus</u>.

## Higher Loan Limit Now Available for USDA Guaranteed Farm Loans 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>.

## 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 <u>farmers.gov/fund</u> 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 <u>farmers.gov/recover/disaster-assistance-tool#step-1</u> to find disaster assistance programs that can help their operation recover from natural disasters.

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

## 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 <u>rvs.umn.edu</u>.

## **Rates and Dates**

Selected Interest Rates for	
January 2022	
90-Day Treasury Bill	0.125
Farm Operating Loans — Direct	2.125
Farm Ownership Loans — Direct	3.000
Farm Ownership Loans — Direct Down Payment, Beginning <u>Farmer</u> or Rancher	1.500
Emergency Loans	3.125
Farm Storage Facility Loans (3 years)	0.875
Farm Storage Facility Loans (7 years)	1.375
Commodity Loans 1996- Present	1.250

## **Upcoming Events and Workshops**

The USDA Arkansas Farm Service Agency (FSA) is committed to educating producers on available programs and loans. FSA representatives will be available at the following

workshops and conferences. Producers interested in attending these conferences/workshops should follow the registration or RSVP instructions listed below.

**Feb 8<sup>th</sup> – Keeping it in the Family (KIITF) - Estate Planning** The University of Arkansas at Pine Bluff (UAPB) Small Farm Program/Keeping it in the Family (KIITF) is hosting a <u>VIRTUAL</u> Meeting on Estate Planning, Heirs Property, and the Heir Property Relending Program. **An FSA Representative will present on Heirs' Property/Heirs' Property Relending Program.** The conference will be held Tuesday, February 8, 2022. The session begins at 9:00am and will conclude at 11:00am. For those wishing to attend, the meeting link will be forthcoming. Contact UAPB Small Farm Program (870.575.7225) for additional information.

**Feb 17<sup>th</sup> – Winter Beginning Farmer Class Series** The University of Arkansas is hosting a <u>VIRTUAL</u> Meeting for Beginning Farmer on USDA Programs. Danny Hoots, District Director, **will present on FSA Programs.** The class will be held Thursday, February 17, 2022. The session begins at 6:00pm and will conclude at 8:--pm. For additional information please visit the Center for Arkansas Farms and Food website <u>http://caff.uark.edu</u>.

**Feb 24<sup>th</sup> and 25<sup>th</sup> – ALCDC 41<sup>st</sup> Community Economic Development and Winter Farmers Conference** Arkansas Land and Community Development Corporation (ALCDC) will host their **Community Economic Development and Winter Farmers Conference** Thursday and Friday, February 24 & 25, 2022. This <u>VIRTUAL</u> meeting will be highlighted by state and national speakers, focusing on equity, equality and resources opportunities for our rural and urban population. An FSA Representative will present on FSA Programs.

<u>Day 1 Youth Day</u> begins at 10:00am and the **Registration Link** follows: <u>https://us02web.zoom.us/meeting/register/tZMtdeyuqjspGdOE %20%20Mo9x9Pb6t</u> <u>ImWINqIwOw</u>

<u>Day 2 General Conference</u> begins at 9:30am and the **Registration Link** follows: <u>https://us02web.zoom.us/meeting/register/tZMpde-</u> vpj0qHdK3KgolE0IOPJV5uTIb0j4V

For additional information, please call 870.734.3005, email <u>alcdc1934@yahoo.com</u>, or visit the website at <u>https://alcdc.webs.com</u>.

**Mar 15<sup>th</sup>-16<sup>th</sup> - Arkansas Women in Agriculture Conference** Arkansas Women in Agriculture is hosting the 2022 ARWIA Conference on March 15-16, 2022. The conference will be held at the Airport Holiday Inn, 3201 Bankhead Drive, Little Rock, AR. **Kimi Martin and Casie Person, both Farm Loan Specialist, will be the Exhibitors.** For additional information and conference registration, please visit: http://arwomeninag.org/.

LTQ1	
Arkansas USDA	
700 West Capitol Room 3416 Little Rock, Arkansas 72201 FSA Phone: 501-301-3000 FSA Fax: 855-652-2082	

#### NRCS Phone: 501-301-3100 NRCS Fax: 855-681-7044

Please contact your local Service Center for questions/answers specific to your operation or county. To find contact information for your local office go to <u>www.fsa.usda.gov/ar</u>.

State Committee Meeting: 2nd Wednesday and Thursday of each Quarter.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).