

Farm Service Agency U.S. DEPARTMENT OF AGRICULTURE

<u>Planting Seeds of Knowledge: USDA FSA's FY24 Guidance for North</u> Carolina's Farmers and Ranchers

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RALEIGH, N.C., Oct. 31, 2023 – As North Carolina's agricultural community wraps up another successful harvest season, the <u>U.S. Department of Agriculture (USDA)</u> Farm Service Agency (FSA) is doubling down on its commitment to supporting the state's farmers and ranchers. With innovative programs and resources designed to tackle the industry's most pressing challenges, the FSA is working towards a brighter, more prosperous future for North Carolina agriculture.

"As we gear up for the new fiscal year, our mission remains steadfast: to stand up for every North Carolinian who cultivates our land," said Bob Etheridge, FSA State Executive Director in North Carolina. "Our farmers and ranchers work tirelessly, and we pledge to have their backs by equipping them with the insights, resources, and tools they need to overcome the constant changes and challenges in today's agricultural landscape."

To achieve its vision for FY24, the FSA is focusing on five key areas:

Farm Programs

The FSA's game-changing farm programs provide essential support to farmers to overcome challenges that impede agricultural production, such as low commodity prices and natural disasters. Over the past few years, farmers and ranchers nationwide have faced the impact of a pandemic and frequent catastrophic natural disasters. To assist those most affected by these circumstances, the USDA has implemented various financial support programs that directly help farmers.

For instance, the <u>Price Loss Coverage (PLC)</u> program pays farmers when a covered commodity falls below its reference price, while the <u>Agriculture Risk Coverage (ARC)</u> program provides revenue protection to farmers when a loss occurs due to a decline in prices or yields. In addition, the <u>Noninsured Crop Disaster Assistance Program (NAP)</u> and the <u>Livestock Indemnity Program (LIP)</u> assist farmers in recovering from crop or livestock losses, respectively, due to natural disasters or disease.

Overall, direct payments to producers have been a critical means of supporting the rural economy and mitigating severe losses caused by major weather events. As a result of the FSA's efforts, eligible North Carolina farmers were granted over \$129 million in direct payments by the conclusion of FY23.

Farm Loans

The FSA also offers financial assistance to farmers and ranchers who need help securing traditional loans from commercial banks or other lenders. During economic hardship, <u>Farm Ownership Loans</u> assist with the purchase of farmland or upgrading existing farms. In contrast, <u>Farm Operating Loans</u> cover expenses such as seed, fertilizer, or farm equipment.

Small and beginning farmers can receive up to \$50,000 in <u>Microloans</u> to get their agricultural operations off the ground. Additionally, the agency provides loans to <u>socially disadvantaged farmers</u>, <u>veterans</u>, <u>and young farmers</u> to ensure that farming remains accessible to people from all backgrounds.

Farmers and ranchers can visit the <u>Loan Assistance Tool</u> on <u>farmers.gov</u> to access an interactive online, step-by-step guide through the farm loan process. Head to <u>farmers.gov/farm-loan-assistance-tool</u> and click the 'Get Started' button to begin your farming journey.

Commodity Operations

Commodity operations play a crucial role in maintaining the stability of commodity prices and supplies. The FSA's primary commodity program is the <u>Farm Storage Facility Loan (FSFL)</u>, which provides low-interest loans to farmers to build or upgrade on-farm grain storage and handling facilities. In the previous fiscal year, the FSA granted approximately \$489,854 worth of FSFL loans to assist farmers in preserving their crops' quality, storing them, and marketing them when prices were favorable.

Conservation Programs

The FSA's Conservation programs work towards improving soil health, water quality, and wildlife habitat by promoting various conservation practices. The largest and most well-known initiative is the Conservation Reserve Program (CRP), signed into law by President Ronald Reagan in 1985, which offers financial incentives to farmers and ranchers to retire environmentally sensitive land from

agricultural production and plant native species that enhance environmental health. In 2021, FSA introduced improvements to the program, which included higher rental payments and more incentivized environmental practices.

In addition, the agency provides other conservation programs, such as the <u>Conservation Reserve</u> <u>Enhancement Program (CREP)</u>, a derivative of CRP that addresses high-priority conservation issues identified by government and non-governmental organizations. CREP involves removing farmland from production in exchange for annual rental payments. The <u>Emergency Forest Restoration Program (EFRP)</u> is another program that helps the owners of non-industrial private forests restore forest health, which plays a crucial role in sheltering wildlife, nutrients for soil, and water supply protection.

Outreach Support

The FSA is on a mission to reach out to farmers and ranchers who may be unaware of its available resources. The agency offers diverse outreach programs, including workshops, webinars, and online training modules. For instance, the USDA's <u>Beginning Farmer and Rancher Program</u> provides training and technical assistance to <u>new farmers and ranchers</u> to help them start and maintain successful operations.

The agency also collaborates with other USDA agencies, such as the <u>Natural Resources</u> <u>Conservation Service (NRCS)</u>, <u>Risk Management Agency (RMA)</u>, and <u>Rural Development (RD)</u>, to offer resources and support to historically underserved farmers and ranchers.

North Carolina boasts 72 active <u>FSA county offices</u> that serve as primary avenues for farmers and ranchers to access FSA programs. Each office is staffed by experts who collaborate with <u>county committees</u> to address the needs of local farmers and ranchers while adhering to USDA regulations and policies. These committees consist of local farmers who represent diverse interests in their communities and are selected via a nomination and election process.

The USDA Farm Service Agency acknowledges and appreciates the hard work of North Carolina's farmers and ranchers. As a trusted partner in the industry, the agency is committed to providing top-quality programs and resources to help farmers overcome challenges and achieve their goals.

For more information about USDA FSA programs, loans, and conservation efforts, visit the agency website at www.fsa.usda.gov/state-offices/North-Carolina or contact your local USDA Service Center.

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