



U.S. DEPARTMENT OF AGRICULTURE

Maine USDA Service Center Newsletter August 2022

[Farm Service Agency](#) | [Natural Resources Conservation Service](#) | [Risk Management Agency](#)

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The Maine Message From SED Sherry Hamel

Happy August! What a busy time it has been in FSA!!

Nationwide, we have processed more than 255,000 applications for the new Emergency Relief Program (ERP), totaling approximately \$6.1 billion in payments to commodity and specialty crop producers to help offset eligible losses from qualifying 2020 and 2021 natural disasters. In Maine, payments issued to date total \$6.3 million. By breaking-down agency barriers, using existing data across USDA and pre-filled applications, FSA, in cooperation with RMA, has been able to expediently provide economic relief and save producers and staff over a million hours of time. A new [public-facing dashboard](#) on the ERP webpage has information on ERP payments that can be sorted by crop type – specialty or non-specialty, specific commodities and state.

Many producers are not aware that receiving USDA program funds for activities, such as conservation contracts, disaster assistance payments, and pandemic relief are taxable income, and need support to assist with short- and long-term business planning associated with their program payments. To address these issues, FSA is investing in partnerships to develop and deliver taxpayer education to producers to help them better

understand the important relationships between federal income taxes and USDA farm programs. Online tax resources for producers are being updated and expanded, including the new [Tax Estimator Tool](#), an interactive spreadsheet that producers can download to estimate tax liability. It is for informational and educational purposes only and should not be considered tax or legal advice.

Registration is open for a webinar on [Using the Tax Calculator](#) to estimate your tax burden. The webinar will be held on Aug. 15 at 2pm EST.

Have a USDA question, then AskUSDA! <https://ask.usda.gov/s/> Check out this link to search frequently asked questions or submit your own question and a USDA representative will review and provide the information requested.

We are continuing to monitor the drought situation and currently have 8 counties in D2 status. **If you are experiencing drought related issues**, please contact your local office and report your situation.

As mentioned previously, I am hitting the road this month to visit with our county offices and local producers. If you would like to host a visit at your operation, please reach out to your local CED and we will get you on the schedule.

Have a great month!

Sherry Hamel, SED

Important Dates:

| | |
|--------------------------|--|
| August 19th | Emergency Relief Program (ERP) Phase One Deadline for Specialty Crops indemnified through the Non-Insurable Crop Disaster Assistance Program (NAP) |
| September 30th | Deadline to complete an ARCPLC Succession in Interest to 2022 Contracts |
| September 30th | 2023 NAP application closing deadline for Value Loss Crops and Perennial Forages |
| October 31st | Organic and Transitional Education and Certification Program (OTECP) Application deadline for the 2022 program year |
| November 20th | 2023 NAP application closing deadline for Perennial Fruits and Vegetables |
| December 31, 2022 | 2022 FOOD SAFETY CERTIFICATION FOR SPECIALTY CROPS (FSCSC) application deadline |

**December 31,
2022**

2023 NAP application closing deadline for Honey and Maple Sap

USDA Invests \$14.5 Million in Taxpayer Education, Program Outreach Efforts for Farmers and Ranchers



Learn more and register for a free webinar

FSA is investing in two outreach and education efforts for farmers and ranchers, including those who are new to agriculture or who have been historically underserved by programs.

First, FSA is announcing \$10 million in the new Taxpayer Education and Asset Protection Initiative. Through this initiative, FSA has partnered with the University of Arkansas and the National Farm Income Tax Extension Committee to deliver tax education resources for farmers and ranchers, which includes engagement with agricultural educators, and tax professionals through partnerships with community groups and minority serving institutions across the country.

Second, FSA is investing \$4.5 million in outreach for the Conservation Reserve Program Transition Incentives Program (CRP TIP), which increases access to land for new farmers and ranchers. FSA will award cooperative agreements to 15 to 20 partner and stakeholder organizations to conduct outreach and technical assistance and promote awareness and understanding among agricultural communities, particularly those who are military veterans, new to farming, or historically underserved.

Streamlined Delivery of Emergency Relief Programs Is Win-Win for USDA and Agricultural Producers

New Program Outperforms Predecessor Disaster Program in speed of assistance and almost 90% reduced application burden, Online Analytics Now Available.

The U.S. Department of Agriculture (USDA) has processed more than 255,000 applications for the new Emergency Relief Program (ERP). USDA has made approximately \$6.1 billion, to date, in payments to commodity and specialty crop producers to help offset eligible losses from qualifying 2020 and 2021 natural disasters. By breaking-down agency barriers, using existing data across USDA and pre-filled applications, USDA's Farm Service Agency (FSA) in cooperation with the Risk Management Agency (RMA) has been able to expediently provide economic relief and save producers and staff over a million hours of time.

The design of ERP Phase One allowed for an expedited process that saved time for staff and producers. FSA was able to begin disbursing payments to producers within days of rolling out the program when under the predecessor program lengthy applications and

processing were required before making payments. FSA county offices can process almost nine ERP applications in the time it took to process one application for the Wildfire and Hurricane Indemnity Program — Plus (WHIP+), the predecessor program for ad hoc disaster assistance. This equates to 88% less time to process applications and a reduction of more than one million staff hours for implementation of ERP compared with WHIP+. While not specifically tracked, we expect the savings for producers to be at least as significant as they previously would have had a significant burden to collect records and often sit across from the local staff as the data is entered.

These process improvements also enhanced the customer experience for farmers by reducing the number of producer trips to FSA county offices and allowing producers to spend less time completing forms so they could focus more on their agricultural operations. In addition, the ERP program design greatly diminished the risk potential for errors and leveraged the existing RMA and Federal Crop Insurance loss adjustment and verification processes. With more applications approved, more dollars distributed, and more dollars paid per application in a shorter timeframe, the streamlined application process developed to deliver ERP has significantly outperformed the previous implementation of WHIP+. FSA also has paid more than \$1 billion to historically underserved producers.

Emergency Relief Payments to Date

The efforts to streamline, improve responsiveness and work across traditional agency-borders goes beyond just the recent ERP process. FSA mailed pre-filled ERP applications to producers of commodities covered by federal crop insurance in late May and has since paid producers with eligible losses more than \$6 billion. Pre-filled ERP applications were mailed to producers with Noninsured Crop Disaster Assistance Program (NAP) coverage last week, and so far, FSA has already issued \$35.9 million in payments to producers with eligible losses. NAP-related ERP payments also were not factored and are being made, in full, from the start to speed and target assistance to the small and underserved producers that commonly rely on NAP coverage. Also, earlier this year, staff processed more than 100,000 payments through the Emergency Livestock Relief Program (ELRP) and paid eligible producers more than \$601.3 million for 2021 grazing losses within days of the program announcement.

ERP Data Now Available Online

A new [public-facing dashboard](#) on the ERP webpage has information on ERP payments that can be sorted by crop type – specialty or non-specialty, specific commodities and state. FSA will update the dashboard on Monday each week.

More Information

ERP and the previously announced ELRP are funded by the *Extending Government Funding and Delivering Emergency Assistance Act*, which President Biden signed into law in 2021. The law provided \$10 billion to help agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disaster events experienced during calendar years 2020 and 2021.

For more information on ERP and ELRP eligibility, program provisions for historically underserved producers as well as Frequently Asked Questions, producers can visit FSA's [Emergency Relief webpage](#).

Additional USDA disaster assistance information can be found on farmers.gov, including the [Disaster Assistance Discovery Tool](#), [Disaster-at-a-Glance fact sheet](#) and [Farm Loan Discovery Tool](#). For FSA and Natural Resources Conservation Service programs, producers should contact their local [USDA Service Center](#). For assistance with a crop insurance claim, producers and landowners should contact their [crop insurance agent](#).

Applying for Youth Loans

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

Youth Loan Eligibility Requirements:

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

For help preparing the application forms, contact your local County USDA Service Center or visit fsa.usda.gov.

Applying for NAP Payments

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to you for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

In order to participate, you must obtain NAP coverage for the crop year by the applicable deadline using form CCC-471 "Application for Coverage" and pay the service fee. Application closing dates vary by crop. Producers are also required to submit an acceptable crop acreage report. Additionally, NAP participants must provide:

- The quantity of all harvested production of the crop in which the producer held an interest during the crop year

- The disposition of the harvested crop, such as whether it is marketable, unmarketable, salvaged or used differently than intended
- Acceptable crop production records (when requested by FSA)

Producers who fail to report acreage and production information for NAP-covered crops could see reduced or zero NAP assistance. These reports are used to calculate the approved yield.

If your NAP-covered crops are affected by a natural disaster, notify your FSA office by completing Part B of form CCC-576 "Notice of Loss and Application for Payment." This must be completed within 15 calendar days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date. For hand-harvested crops and certain perishable crops, you must notify FSA within 72 hours of when a loss becomes apparent.

To receive benefits, you must also complete Parts D, E, F and G of the CCC-576 "Notice of Loss and Application for Payment" within 60 days of the last day of coverage for the crop year for any NAP covered crops. The CCC-576 requires acceptable appraisal information. Producers must provide evidence of production and note whether the crop was marketable, unmarketable, salvaged or used differently than intended.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, local County USDA Service Center or visit fsa.usda.gov/nap.

USDA Microloans Help Farmers Purchase Farmland and Improve Property

Farmers can use USDA farm ownership microloans to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013.

Microloans can also help with farmland and building purchases and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program, contact your local County USDA Service Center or visit fsa.usda.gov/microloans.

FSA Offers Safety Net Programs for Honeybee Producers

The Farm Service Agency (FSA) administers two programs that have specific safety net benefits for producers of honeybees and honey. The Noninsured Crop Disaster Assistance Program (NAP) and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) assist producers when disasters impact honey production or damage or destroy colonies, hives or honeybee feed.



NAP is designed to reduce financial losses when natural disasters result in lower yields or crop losses, including honey. NAP coverage is equivalent to catastrophic insurance, meaning it covers up to 50 percent of a producer's normal yield (must have at least a 50 percent loss) at 55 percent of the average market price. The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production.

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.

You must apply for NAP coverage by December 1 prior to the year for which you're seeking coverage.

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.

Both the NAP and ELAP programs require you to report the number of colonies you have in production to FSA by Jan. 2 each year. You must notify FSA within 30 calendar days of changes in the total number of colonies or when honeybees are moved to another county.

For both programs, you must notify FSA within 15 calendar days of when a loss occurs or from when the loss is apparent.

To learn more about programs for honey and honeybee producers, contact your local County USDA Service Center or visit fsa.usda.gov.

USDA Announces Assistance for On-Farm Food Safety Expenses for Specialty Crop Growers

Agriculture Secretary Tom Vilsack announced that the U.S. Department of Agriculture (USDA) plans to provide up to \$200 million in assistance for specialty crop producers who incur eligible on-farm food safety program expenses to obtain or renew a food safety certification in calendar years 2022 or 2023. USDA's new [Food Safety Certification for](#)

[Specialty Crops](#) (FSCSC) program will help to offset costs for specialty crop producers to comply with regulatory requirements and market-driven food safety certification requirements, which is part of USDA's broader effort to transform the food system to create a more level playing field for small and medium producers and a more balanced, equitable economy for everyone working in food and agriculture.

Specialty crop operations can apply for assistance for eligible expenses related to a 2022 food safety certificate issued on or after June 21, 2022, beginning June 27, 2022. USDA is delivering FSCSC to provide critical assistance for specialty crop operations, with an emphasis on equity in program delivery while building on lessons learned from the COVID-19 pandemic and supply chain disruptions. Vilsack made the announcement from Hollis, N.H., where he toured a local, family-owned farm and highlighted USDA's efforts to help reduce costs for farmers and support local economies by providing significant funding to cut regulatory costs and increase market opportunities for farmers in New Hampshire and across the nation.

Program Details

FSCSC will assist specialty crop operations that incurred eligible on-farm food safety certification and related expenses related to obtaining or renewing a food safety certification in calendar years 2022 and 2023. For each year, FSCSC covers a percentage of the specialty crop operation's cost of obtaining or renewing their certification, as well as a portion of their related expenses.

To be eligible for FSCSC, the applicant must be a specialty crop operation; meet the definition of a small business or very small business; and have paid eligible expenses related to the 2022 (issued on or after June 21, 2022) or 2023 certification.

Specialty crop operations may receive assistance for the following costs:

- Developing a food safety plan for first-time food safety certification.
- Maintaining or updating an existing food safety plan.
- Food safety certification.
- Certification upload fees.
- Microbiological testing for products, soil amendments and water.
- Training

FSCSC payments are calculated separately for each category of eligible costs. A higher payment rate has been set for socially disadvantaged, limited resource, beginning and veteran farmers and ranchers. Details about the payment rates and limitations can be found at farmers.gov/food-safety.

Applying for Assistance

The FSCSC application period for 2022 is June 27, 2022, through January 31, 2023, and the application period for 2023 will be announced at a later date. FSA will issue payments at the time of application approval for 2022 and after the application period ends for 2023. If calculated payments exceed the amount of available funding, payments will be prorated.

Interested specialty crop producers can apply by completing the FSA-888, Food Safety Certification for Specialty Crops Program (FSCSC) application. The application, along with other required documents, can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means.

Producers can visit farmers.gov/food-safety for additional program details, eligibility information and forms needed to apply.

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 farmers.gov/recover/disaster-assistance-tool#step-1 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.

Persons with disabilities who require accommodations to attend or participate in any meeting/event/function should contact Mary Anne Coffin at 207-990-9140 or Federal Relay Service at 1-800-877-8339.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the Farm Service Agency, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel and visitors must adhere to social distancing guidelines. Visitors are also required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.



Maine /USDA Service Center

967 Illinois Avenue
Bangor, ME 04401

Farm Service Agency

Sherry Hamel, 207-990-9140

State Executive Director
sherry.hamel@usda.gov

Natural Resources Conservation Service

Matt Walker, 207- 990-9585

Website: www.fsa.usda.gov/me

State Conservationist
matt.walker@usda.gov

Website: www.me.nrcs.usda.gov