

News & Updates from the Iowa Farm Service Agency - July 26, 2022

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From the Desk of Matt Russell, State Executive Director

lowa farmers are in the middle of many global challenges. From the Russian invasion of Ukraine, to extreme weather caused by climate change, to global supply chain disruptions, the availability and price of food and fuel are as volatile as we've seen in more than a generation.

I continue to have the opportunity to drive across our great state. While we started the growing season with some fairly uniform crop conditions, we're now seeing some real differences depending on spotty rains and increasing dryness and drought. These conditions are all the more reason for farmers to stay in close contact with your county FSA service center. We want to make sure lowa farmers are participating in the programs that can help them deliver the food, fuel, and other products needed to navigate the challenges facing the global community.

The Biden-Harris Administration continues to invest in farmer led solutions. From year around E-15 at the gas pump to the new webpage focusing on empowering American farmers to help fight global food insecurity, this administration is investing in rural leaders and farmer led initiatives. Consider joining that leadership team by running for your local FSA county committee. Women Food and Agriculture Network recently partnered with FSA on a webinar to help educate the public about the responsibilities of FSA county committees featuring

women in county committee leadership. Nominations are open until August 1. Check with your count office to see if you live in a district where an election is happening this fall.

We also continue to hire new agricultural leaders in our county offices throughout the state. Secretary Vilsack and his team at USDA know that it takes people in our service centers to maintain the integrity of our programs and to make sure that all farmers have access to these investments in their operations.

I'm honored to be part of the Iowa FSA team serving farmers in every community in our state. One of my favorite things about this job is talking with Iowans about the importance of agricultural leadership as we find ways to shape a hopeful future for all of us who share this planet. I'll leave you with a <u>recent interview</u> with KNIA/KRLS (Knoxville) featuring Angie Vos, one of our eight district directors, and myself.

- Matt



Helping Farmers Address Global Food Insecurity

The pandemic and Ukraine invasion have led to supply chain disruptions, higher prices of inputs, and goods shortages in countries across the globe. USDA is adding program flexibilities, expanding options and assistance, and investing in fertilizer to help farmers address inflation and global food insecurity. Learn more about USDA's efforts to increase domestic food production.

USDA Begins Issuing Payments for Spot Market Hog Pandemic Program

The U.S. Department of Agriculture (USDA) is increasing the amount of funding available for the Spot Market Hog Pandemic Program (SMHPP) and expects to issue approximately \$62.8 million in pandemic assistance payments to hog producers starting this week. SMHPP assists eligible producers who sold hogs through a spot market sale from April 16, 2020, through Sept. 1, 2020. USDA's Farm Service Agency (FSA) accepted SMHPP applications through April 29, 2022.

SMHPP Payments

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 originally planned to apply a payment factor if calculated payments exceeded the allocated \$50 million in pandemic assistance funds for SMHPP. Payments are not expected to be factored due to Agriculture Secretary Tom Vilsack's decision to increase funding enabling producers to receive 100% of the calculated SMHPP payment.

There is no per person or legal entity payment limitation on SMHPP payments.

SMHPP Background

USDA offered SMHPP in response to a reduction in packer production due to the COVID-19 pandemic, which resulted in fewer negotiated hogs being procured and subsequent lower market prices. The program is part of USDA's broader <a href="Pandemic Assistance for Pandemic Pande

Reminder: Agricultural Producers Have Until August 1st for Nominations for Farmers and Ranchers to Serve on Local County Committees

Farmers and ranchers have until Aug. 1, 2022, to nominate candidates to serve on their local County Farm Service Agency (FSA) Committee. Elections will occur in certain Local Administrative Areas (LAA) for members. LAAs are elective areas for FSA committees in a single county or multi-county jurisdiction. This may include LAAs that are focused on an urban or suburban area.

County committee members make important decisions about how Federal farm programs are administered locally. All nomination forms for the 2022 election must be postmarked or received in the local FSA office by Aug. 1, 2022.

Agricultural producers who participate or cooperate in a USDA program and reside in the LAA that is up for election this year, may be nominated for candidacy for the county committee. A cooperating producer is someone who has provided information about their farming or ranching operation to FSA, even if they have not applied or received program benefits. Individuals may nominate themselves or others and qualifying organizations may also nominate candidates. USDA encourages minority producers, women, and beginning farmers or ranchers to nominate, vote and hold office.

Nationwide, more than 7,700 dedicated members of the agricultural community serve on FSA county committees. The committees are made up of three to 11 members who serve three-year terms. Producers serving on FSA county committees play a critical role in the day-to-day operations of the agency. Committee members are vital to how FSA carries out disaster programs, as well as conservation, commodity and price support programs, county office employment and other agricultural issues.

More Information

Producers should contact their local FSA office today to register and find out how to get involved in their county's election, including if their LAA is up for election this year. To be considered, a producer must be registered and sign an FSA-669A nomination form. The form and other information about FSA county committee elections are available at fsa.usda.gov/elections.

Election ballots will be mailed to eligible voters beginning Nov. 7, 2022. Producers can find their local USDA Service Center at farmers.gov/service-locator.

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 www.usda.gov.

What's New and Improved for Specialty Crop Producers?

Does your operation include specialty crops? Whether you grow fruits, vegetables, tree nuts, dried fruits, horticulture, or nursery crops - USDA is here for you.

Over the past year, USDA has stepped up our support of specialty crop producers and local and regional food systems. USDA believes specialty crop producers are integral to the food system of the future, and we are working to improve available options for specialty crop producers as well as ensure equity in program delivery.

What's New?

The Risk Management Agency (RMA) rolled out a new insurance option for small-scale producers who sell locally, which is named **Micro Farm**. This new insurance coverage option simplifies record keeping and covers post-production costs, such as washing and value-added products. It is available now, and you can learn more from an Approved Insurance Provider or your <u>RMA specialty crop liaison</u>.

In addition to Micro Farm, RMA rolled out other new insurance options in the past year, including: California Citrus Trees, Florida Citrus, Production and Revenue History option for Florida strawberries, and Hurricane Insurance Protection-Wind Index (HIP-WI). These new options either fill gaps in coverage or offer advantages over other policies. Since 2020, producers weathered several major hurricanes. The new HIP-WI played a crucial role in recovery with more than \$250 million in indemnities paid so far with most payments issued in a matter of weeks following a hurricane.

Interest in growing and insuring specialty crops has grown significantly with \$1 billion in liabilities for 1990 to \$22 billion in liabilities for 2021. (For more details, check out reports on our Specialty Crops webpage.)

The Farm Service Agency (FSA) also offered pandemic assistance for organic producers. The new <u>Organic and Transitional Education and Certification Program</u> (OTECP) provided assistance to help cover loss of markets, increased costs, labor shortages and expenses related to obtaining or renewing their organic certification.

What's Improved?

In the past year, RMA made improvements to existing policies -- including Whole-Farm Revenue Protection, a key insurance option for specialty crop producers. Beginning in the 2021 crop year, direct market producers could report two or more commodities using a new combined direct marketing code.

This reduced a tremendous burden for diversified producers and allowed them to receive a premium rate discount for diversification. For 2022, RMA increased coverage for organic and aquaculture producers and enabled organic producers to report certified organic acreage as long as the request for certification had been made by the reporting date, which provides additional flexibility to producers.

Want to Learn More?

These new and improved options for specialty crop producers are but a few of USDA's strides over the past year to build a fairer, more transparent food system rooted in local and regional production. To learn more, please read <u>USDA's January 19, 2022, news release</u>.

For crop insurance, visit <u>RMA's Specialty Crops webpage</u> or <u>contact your specialty crop</u> liaison.

Also, if there is not a standard offer for the crop you would like insured, you may still be able to get a written agreement for coverage. RMA Regional Offices review these requests to help provide coverage. These requests also provide Regional Offices the opportunity to review the possible expansion of the policy to your county.

Lastly, you can read our <u>Specialty Crops webpage on farmers.gov</u> and <u>question-and-answer</u> with two specialty crop liaisons, Adrienne Steinacher and Matt Wilkin.

Applying for Farm Storage Facility Loans

The Farm Service Agency's (FSA) Farm Storage Facility Loan (FSFL) program provides low-interest financing to help you build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$50,000 can be secured by a promissory note/security agreement, loans between \$50,000 and \$100,000 may require additional security, and loans exceeding \$100,000 require additional security.

You do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

USDA Service Centers Provide Free, One-on-One Help for Farmers

At USDA, we are committed to helping farmers complete loan applications, environmental reviews, and other paperwork free of charge. One-on-one support is available at more than 2,300 USDA Service Centers nationwide. USDA's Farm Service Agency and Natural Resources Conservation Service staff are usually co-located at these Service Centers and can help guide farmers to the best USDA assistance based on their unique goals, whether it is loans, conservation programs, or insurance.

Service Center staff can guide farmers through the process of preparing and submitting required paperwork on their own, with no need to hire a paid preparer. Language translation service is available in all USDA Service Centers, so one-on-one assistance with a Service Center employee can be translated in real time for farmers requiring it. And while some program and loan applications do have an administrative fee for filing, there is never a charge for preparation services provided by USDA staff.

Farmers who work with the USDA Service Center can:

- Establish their farm by registering for a farm number, which is required for USDA programs and assistance.
- Learn how to meet conservation compliance provisions.
- Verify eligibility for USDA programs.
- Discuss their business and conservation goals.
- Create a conservation plan.
- Fill out and file loan and program applications.

We are committed to delivering USDA programs and services to America's farmers and ranchers while taking safety measures in response to COVID-19. We encourage you to check the status of your local USDA Service Center and make an appointment to discuss your business needs.

Beginning Farmer Loan Opportunities

Accessing capital to begin, extend or support an agriculture operation can be especially challenging to new producers. Farm Service Agency's "Beginning Farmer" direct and guaranteed loan programs provide an opportunity for qualified applicants to secure loans from funding set aside for producers who meet the following conditions:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm

- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

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

New Online Tool Allows Farmers, Ranchers to Easily Report Anticompetitive Practices

Farmers, ranchers, and other producers and growers now have a one-stop shop to help ensure they are treated fairly. The new <u>farmerfairness.gov</u> portal developed jointly by the U.S. Department of Agriculture (USDA) and Department of Justice (DOJ) allows you to report potential violations of livestock and poultry antitrust laws, including the Packers and Stockyards Act.

Agriculture Secretary Tom Vilsack recently expressed concern that producers across the country have for too long faced a marketplace that benefits a few large companies over the farmers and ranchers who grow and raise our food.

For example, ranchers received more than 60 cents of every dollar a consumer spent on beef 50 years ago, compared to approximately 39 cents today. Hog farmers fared worse over the past 50 years, as their share of the consumer dollar fell from between 40 to 60 cents 50 years ago to approximately 19 cents today.

In order to assure economic opportunity and fairness for all, this portal makes it easy for farmers and ranchers to register a complaint or tip and provide details that would aid an investigation.

Who may submit a complaint or tip?

Anyone who suspects a violation of Federal law governing fair and competitive marketing and contract growing of livestock and poultry, including the Packers and Stockyards Act.

What information should I provide?

Those reporting potential violations of the Packers and Stockyards Act and other competition laws via the online portal are asked to submit the following information:

- The names of companies, individuals, or organizations that are involved,
- A description of any possible violations of the Packers and Stockyards Act or other <u>federal antitrust laws</u>,
- Examples of the conduct that may violate one or more of these laws.
- Any other relevant details about the violation, and
- The names of companies, individuals, or organizations that may be harmed by the alleged violation and how they are harmed.

What is the process following submission of a complaint or tip?

Complaints and tips will go through a preliminary review by USDA Packers and Stockyards Division staff and Department of Justice staff. If a complaint raises sufficient concern under the Packers and Stockyards Act or antitrust laws, it will be selected for further investigation by the appropriate agency. This action may lead to the opening of a formal investigation.

USDA or DOJ staff will only contact complainants if additional information is needed.

Will my confidentiality be protected?

Both USDA and DOJ will protect the confidentiality of the complainants to the fullest extent possible under the law. For any information provided, DOJ and USDA will follow their respective Privacy and Confidentiality Policies found at: DOJ Confidentiality and USDA Privacy. Packers and Stockyards regulations regarding confidentiality also apply: PSD Confidentiality. DOJ and USDA commit to supporting relevant whistleblower protections, including newly applicable protections for criminal antitrust complainants against unlawful retaliation.

To submit an anonymous complaint or tip, complainants or tippers should provide appropriate details but not enter their names or contact information. Neither USDA nor DOJ will be able to contact anonymous complainants or tips to obtain additional information that might be needed to evaluate your complaint tip, or to engage in future correspondence regarding your complaint or tip.

Farmers, ranchers, and other producers and growers deserve the benefits of fair and competitive markets for their products and services. This portal is an additional tool to support and protect these individuals who are vital to agriculture and our food supply.

We Are Hiring!



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