

South Carolina FSA Newsletter for Farmers and Ranchers - March 2024

#### In This Issue:

- A Note from State Executive Director Laurie Funderburk
- USDA Announces Conservation Reserve Program General Signup for 2024
- Dairy Producers Can Enroll for 2024 Dairy Margin Coverage Beginning Feb. 28
- Disaster Assistance for 2024 Livestock Forage Losses
- FSA Investing in Resilience
- South Carolina Producers Encouraged to Apply for USDA's Continuous Conservation Reserve Program
- Submit Loan Requests for Financing Early
- NAP: Risk Management for Non-Insurable Crops
- USDA Expands Insurance Option for Nursery Growers to All States
- Environmental Review Required Before Project Implementation

## A Note from State Executive Director Laurie Funderburk



#### **Greetings, South Carolina Producers!**

This month we celebrate National Ag Day on March 19, 2024, as part of National Ag Week on March 17-23, 2024. As we take time to honor and celebrate agriculture, I would like to thank all South Carolina farmers and producers for the vital contributions made every day to our state's economy, the health of our citizens, and the sustainability and security of our Nation's food supply. The 2022 Census of Ag Data is now available, with updated statistics about South Carolina agriculture. This is a great opportunity to learn more about the important impact of agriculture in our state on both the County Level and State Level.

The month of March also brings important program updates and opportunities from the United States Department of Agriculture (USDA)

Farm Service Agency. Dairy producers can now enroll in the 2024 <u>Dairy Margin Coverage (DMC)</u> <u>program</u>, an important safety net program that provides producers with price support to help offset milk and feed price differences. This year's DMC signup began **Feb. 28**, **2024**, **and ends April 29**, **2024**.

USDA also announced that agricultural producers and private landowners can begin signing up for the general Conservation Reserve Program (CRP) starting March 4 and running through March 29, 2024. As one of the largest private lands conservation programs in the United States, CRP offers a range of conservation options, especially for farmers with less productive or marginal cropland, helping them re-establish valuable land cover to help improve water quality, prevent soil erosion, and support wildlife habitat.

FSA continues to develop ways to better serve our customers. The next time you visit an FSA County Office, you may see a new addition: FSA Customer Kiosks! In keeping up with 21st century demands, FSA is adopting new technology enhancements to match how some customers do business. The main purpose of the Customer Kiosk is to streamline the customer experience in the County Office by offering in-office, digital access to several federal sites, including eSAMS, FarmSign, Farmers.gov, and eAuthentication. If you wish to learn more about how these new kiosks work to assist you, your local county office will be happy to help.

Lastly, I would like to thank all of the landowners, producers, and partner agencies who helped us celebrate the grand opening of the re-located USDA Service Center in Darlington County on February 29<sup>th</sup>. We are grateful for your generous support, and we look forward to serving you in the future!

Thank you for all you do for South Carolina agriculture!

## Laurie Slade Funderburk State Executive Director



Laurie Funderburk, along with Jamie Keith, Acting State Conservationist for NRCS in South Carolina, cut the ceremonial ribbon to celebrate the new location of the Darlington USDA Service Center on February 29, 2024.

## USDA Announces Conservation Reserve Program General Signup for 2024



The U.S. Department of Agriculture (USDA) announced that agricultural producers and private landowners can begin signing up for the general Conservation Reserve Program (CRP) **starting March 4 and running through March 29, 2024**. The announcement was made earlier today by Zach Ducheneaux, Administrator of the USDA's Farm Service Agency (FSA) at this year's National Pheasant Fest, in Sioux Falls, SD.

On Nov. 16, 2023, President Biden signed into law H.R. 6363, the Further Continuing Appropriations and Other Extensions Act, 2024 (Pub. L. 118-22), which extended the Agriculture Improvement Act of 2018 (Pub. L. 115-334), more commonly known as the 2018 Farm Bill, through Sept. 30, 2024. This extension allows authorized programs, including CRP, to continue operating.

As one of the largest private lands conservation programs in the United States, CRP offers a range of conservation options to farmers, ranchers, and landowners. It has been an especially strong opportunity for farmers with less productive or marginal cropland, helping them re-establish valuable land cover to help improve water quality, prevent soil erosion, and support wildlife habitat.

Producers and landowners enrolled about 926,000 acres in General CRP in 2023, bringing the total of enrolled acres in General CRP to 7.78 million. This, combined with all other acres in CRP through other enrollment opportunities, such as Grassland and Continuous CRP, bring the current total of enrolled acres to 24.8 million.

#### **General CRP**

General CRP helps producers and landowners establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality and enhance wildlife habitat on cropland. Additionally, General CRP includes a Climate-Smart Practice Incentive to help increase carbon sequestration and reduce greenhouse gas emissions by helping producers and landowners establish trees and permanent grasses, enhance wildlife habitat, and restore wetlands.

General CRP is one of several ways agricultural producers and private landowners can participate in the program.

#### **Other CRP Options**

This past January FSA began accepting applications for the <u>Continuous CRP</u> signup. Under this enrollment, producers and landowners can enroll in CRP throughout the year. Offers are automatically accepted provided the producer and land meet the eligibility requirements and the enrollment levels do not exceed the statutory cap.

The USDA also offers financial assistance to producers and landowners enrolled in CRP to improve the health of their forests through the <u>Forest Management Incentive</u> (FMI), which can help participants with forest management practices, such as brush management and prescribed burning.

FSA will announce the dates for Grassland CRP signup in the near future.

Producers with expiring CRP acres can use the <u>Transition Incentives Program</u> (TIP), which incentivizes producers who sell or enter a long-term lease with a beginning, veteran, or socially disadvantaged farmer or rancher who plans to sustainably farm or ranch the land.

#### **How to Sign Up**

Landowners and producers interested in CRP should contact their local <u>USDA Service Center</u> to learn more or to apply for the program before their deadlines.

# Dairy Producers Can Enroll for 2024 Dairy Margin Coverage Beginning Feb. 28



Starting February 28, 2024, dairy producers will be able to enroll for 2024 Dairy Margin Coverage (DMC), an important safety net program offered through the U.S. Department of Agriculture (USDA) that provides producers with price support to help offset milk and feed price differences. This year's DMC signup begins Feb. 28, 2024, and ends April 29, 2024. For those who sign up for 2024 DMC coverage, payments may begin as soon as March 4, 2024, for any

payments that triggered in January 2024.

USDA's Farm Service Agency (FSA) has revised the regulations for DMC to allow eligible dairy operations to make a one-time adjustment to established production history. This adjustment will be accomplished by combining previously established supplemental production history with DMC production history for those dairy operations that participated in Supplemental Dairy Margin Coverage during a prior coverage year. DMC has also been authorized through calendar year 2024. Congress passed a 2018 Farm Bill extension requiring these regulatory changes to the program.

DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. In 2023, Dairy Margin Coverage payments triggered in 11 months including two months, June and July, where the margin fell below the catastrophic level of \$4.00 per hundredweight, a first for Dairy Margin Coverage or its predecessor Margin Protection Program.

#### 2024 DMC Coverage and Premium Fees

FSA has revised DMC regulations to extend coverage for calendar year 2024, which is retroactive to Jan. 1, 2024, and to provide an adjustment to the production history for dairy operations with less than 5 million pounds of production. In previous years, smaller dairy operations could establish a supplemental production history and receive Supplemental Dairy Margin Coverage. For 2024, dairy producers can establish one adjusted base production history through DMC for each participating dairy operation to better reflect the operation's current production.

For 2024 DMC enrollment, dairy operations that established supplemental production history through Supplemental Dairy Margin Coverage for coverage years 2021 through 2023, will combine the supplemental production history with established production history for one adjusted base production history.

For dairy operations enrolled in 2023 DMC under a multi-year lock-in contract, lock-in eligibility will be extended until Dec. 31, 2024. In addition, dairy operations enrolled in multi-year lock-in contracts are eligible for the discounted DMC premium rate during the 2024 coverage year. To confirm 2024 DMC lock-in coverage or opt out in favor of an annual contract for 2024, dairy operations having lock-in contracts must enroll during the 2024 DMC enrollment period.

DMC offers different levels of coverage, even an option that is free to producers, minus a \$100 administrative fee. The administrative fee is waived for dairy producers 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 online dairy decision tool.

#### **DMC Payments**

DMC payments are calculated using updated feed and premium hay costs, making the program more reflective of actual dairy producer expenses. These updated feed calculations use 100% premium alfalfa hay.

#### **More Information**

USDA also offers other risk management tools for dairy producers, including the <u>Dairy Revenue</u> <u>Protection (DRP)</u> plan that protects against a decline in milk revenue (yield and price) and the <u>Livestock Gross Margin (LGM)</u> plan, which provides protection against the loss of the market value of milk minus the feed costs. Both DRP and LGM livestock insurance policies are offered through the Risk Management Agency. Producers should contact their local <u>crop insurance agent</u> for more information.

For more information on DMC, visit the DMC webpage or contact your local USDA Service Center.

### Disaster Assistance for 2024 Livestock Forage Losses

Producers in Abbeville, Anderson, Cherokee, Chester, Fairfield, Greenville, Laurens, McCormick, Newberry, Oconee, Pickens, Spartanburg, Union, and York Counties are eligible to apply for 2024 Livestock Forage Disaster Program (LFP) benefits on long season small grains and full season improved mixed pasture types.

LFP provides compensation if you suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire. You must complete a CCC-853 and the required supporting documentation no later than January 30, 2025, for 2024 losses.

For additional information about LFP, including eligible livestock and fire criteria, visit fsa.usda.gov.

### **FSA Investing in Resilience**

The programs FSA offers can often be the best news possible for a producer living in that uncertainty. In 2023, investments from our programs made positive impacts on the lives of many agricultural producers, including those experiencing distress or those picking up the pieces after natural disasters — investments that will pay dividends for many years to come.

Our dedicated employees delivered more than \$16.9 billion in farm programs and farm loans throughout the year. Some noteworthy accomplishments included helping distressed borrowers, improving our processes and programs, and providing support to our producers in times of hardship. These accomplishments were borne out of our concerted effort to approach our policies and programs

with fresh eyes, creative ideas and a common purpose guided by the goal of fairly and equitably delivering the most assistance to the most producers possible.

We're proud of our work in 2023, and our efforts to support our nation's farmers and ranchers complement the hard work of the Biden-Harris Administration over the past three years.

Read more about FSA's successes in 2023 by visiting farmers.gov/blog/fsa-investing-in-resilience.

# South Carolina Producers Encouraged to Apply for USDA's Continuous Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is now accepting applications for the Continuous Conservation Reserve Program (Continuous CRP). USDA's Farm Service Agency (FSA) encourages agricultural producers and landowners in South Carolina who are interested in conservation opportunities for their land in exchange for yearly rental payments to consider the enrollment options available through Continuous CRP, which also includes the Conservation Reserve Enhancement Program (CREP) offered by FSA partners. Additionally, producers participating in CRP can now apply to re-enroll, if their contracts will expire this year.

To submit an offer, producers should contact the FSA at their local <u>USDA Service Center</u> by July 31, 2024, in order to have an offer effective by Oct. 1, 2024. To ensure enrollment acreages do not exceed the statutory cap, FSA will accept offers from producers on a first-come, first-served basis and will return offers for approval in batches throughout the year.

Additionally, producers with acres enrolled in Continuous CRP set to expire Sept. 30, 2024, can now offer acres for re-enrollment. A producer can both enroll new acres into Continuous CRP and re-enroll any acres expiring Sept.30, 2024.

FSA water quality practices, such as riparian buffers, prairie strips, grassed waterways, and wetlands, will receive an additional 20% incentive. Buffer practices have a positive impact on water quality. Additionally, the Climate-Smart Practice Incentive launched in 2021 is also available in the Continuous signup.

## **Submit Loan Requests for Financing Early**

South Carolina Farm Loan teams in are already working on operating loans for spring 2024 and asks potential borrowers to submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

**Microloans** are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and

other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

**Marketing Assistance Loans** allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

**Farm Storage Facility Loans** can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

### **NAP: Risk Management for Non-Insurable Crops**

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 basic or buy-up coverage for the crop year by the applicable deadline using form CCC-471 "Application for Coverage" and pay the applicable service fee and premium. If a producer has a Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification (form CCC-860) on file with FSA, it may serve as an application for basic coverage for all eligible crops beginning with crop year 2022. These producers will have all NAP-related service fees for basic coverage waived. These producers may also receive a 50% premium reduction if higher levels of coverage are elected on form CCC-471, prior to the application closing date for each crop. 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, visit fsa.usda.gov/nap.

## **USDA Expands Insurance Option for Nursery Growers** to All States

USDA is expanding crop insurance tailored for nursery producers to all counties in all states. <a href="Nursery Value Select">Nursery Value Select</a> (NVS) is a pilot program that enables nursery producers to select the dollar amount of coverage that best fits their risk management needs. Its expansion is part of USDA's Risk Management Agency (RMA) efforts to provide insurance options for a broader group of producers, including specialty crop producers.

NVS provides similar but improved coverage to the longstanding Nursery Field Grown and Container (FG&C) program. NVS also covers field grown and containerized nursery plants and offers coverage levels between catastrophic and 75 percent.

Prior to this expansion, NVS was only available in select counties in these states: Alabama, Colorado, Florida, Michigan, New Jersey, Oregon, Tennessee, Texas, and Washington. Beginning with the 2025 crop year, NVS will now be available in all counties in all states. The sales closing date for the 2025 crop year is May 1, 2024, or September 1, 2024, as provided in the actuarial documents.

NVS was first available in the 2021 crop year, and producers insured more than \$460 million in liabilities in crop year 2023.

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the <u>RMA Agent Locator</u>. Learn more about crop insurance and the modern farm safety net at <u>rma.usda.gov</u> or by contacting your <u>RMA Regional Office</u>.

# **Environmental Review Required Before Project Implementation**

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, the request will be denied. Although there are exceptions regarding the Stafford Act and emergencies, it's important to wait until you receive written approval of your project proposal before starting any actions.

Applications cannot be approved until FSA has copies of all permits and plans. Contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

### **South Carolina Farm Service Agency**

1927 Thurmond Mall Suite 100 Columbia, SC 29201

Phone: 803.806-3820 Website: www.fsa.usda.gov/sc

**State Executive Director** 

Laurie Funderburk

laurie.funderburk@usda.gov

Administrative Officer

Kenn Jameson

kenn.jameson@usda.gov

**Farm Programs Chief** 

Linda Williams

linda.c.williams@usda.gov

Farm Loan Programs Chief

William Shelley

william.shelley@usda.gov

**State Committee:** 

Anthony Grant, Committee Chair

Lawrence Weathers

Mary Frances Koon

J.E.B. Wilson

Warren Dixon