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USDA to Begin Issuing \$1.75 Billion to Agricultural Producers Through Critical Emergency Relief Programs

The U.S. Department of Agriculture (USDA) today announced that it will begin issuing more than \$1.75 billion in emergency relief payments to eligible farmers and livestock producers. These much-needed payments are helping farming and ranching operations recover following natural disasters in 2020, 2021 and 2022.



Emergency Livestock Relief Program

This week, FSA will issue more than \$581 million in 2021 and 2022 drought and wildfire emergency relief to eligible ranchers.

FSA is closing out the [Emergency Livestock Relief Program](#) (ELRP) for losses suffered in 2021. ELRP Phase Two payments are estimated at \$115.7 million. Ranchers who lost grazing acres due to drought and wildfire and received assistance through ELRP Phase One will soon receive an additional payment through ELRP Phase Two. This second payment will be equal to 20% of the 2021 gross ELRP Phase One payment. ELRP Phase Two payments to producers will be automatic with no application required. In April 2022, FSA staff processed more than 100,000 payments through ELRP Phase One and paid eligible ranchers more than \$600 million for 2021 grazing losses.

In 2022, ranchers continued to experience significant loss of grazing acres due to drought and wildfire. To help mitigate these losses, eligible ranchers will receive ELRP disaster assistance

payments for increases in supplemental feed costs. To expedite payments, determine producer eligibility and calculate the ELRP 2022 payment, FSA is using livestock inventories and drought-affected forage acreage or restricted animal units and grazing days due to wildfire already reported to FSA by ranchers when they submitted their Livestock Forage Disaster Program applications. ELRP payments for 2022 losses are estimated at \$465.4 million and will be automatic with no application required.

Emergency Relief Program Phase Two

FSA is closing out Phase Two of the [Emergency Relief Program](#) (ERP) this week through the delivery of more than \$1.17 billion in crop disaster assistance payments to producers of eligible crops who suffered losses, measured through decreases in revenue, due to qualifying natural disaster events that occurred in calendar years 2020 and 2021. ERP Phase Two was intended primarily for producers of crops that were not covered by federal crop insurance or FSA's Noninsured Crop Disaster Assistance Program (NAP). Previously, through ERP Phase one, FSA staff processed more than 300,000 applications and paid an estimated 217,000 eligible producers more than \$7.4 billion.

More Information

These programs represent a few of FSA's extensive commodity, conservation, credit, disaster recovery and safety-net programs. By the close of the fiscal year on Sept. 30, for all farm and farm loan programs — including vital access to [capital for distressed borrowers](#) — USDA, through the delivery of FSA programs, will have invested more than \$19 billion in America's agricultural producers with more economic support on the way in fiscal year 2024.

For more information on available FSA programs, contact your [local USDA Service Center](#).

USDA Reminds Direct Loan Borrowers of Cash Flow-Based and Extraordinary Measures Assistance Options

USDA's Farm Service Agency (FSA) continues to accept and review individual assistance requests from: (1) direct Farm Loan Programs (FLP) borrowers who missed a recent installment or are unable to make their next scheduled installment, and (2) borrowers who took certain extraordinary measures to avoid delinquency on their direct FLP loans.

FSA direct loan borrowers with qualifying FLP loans who are unable to pay their upcoming installments or have already missed a recent installment payment can request a cash flow analysis from FSA using a recent balance sheet and operating plan to determine their eligibility. **This assistance is currently limited to installments due August 1, 2022, through January 15, 2024.** If FSA determines that a borrower qualifies for cash flow-based assistance due to an inability to develop a feasible plan for the current production cycle, FSA will make a one-time credit to the borrower's account in the amount of the missed or upcoming direct loan installment(s). Consistent with other Section 22006 assistance provided to FSA direct loan borrowers, cash



flow-based assistance is only available to borrowers who have not received prior IRA Section 22006 assistance that covered a forward direct loan installment.

Assistance is also available for borrowers who took certain extraordinary measures between February 28, 2020, through October 18, 2022, to avoid delinquency on their loans, such as monetizing long term or essential assets, incurring additional non-FSA debt, or deferring other essential payments, resulting in reduced farm and household viability. If FSA determines that a borrower qualifies for extraordinary measures assistance, the borrower will receive a direct payment equaling the amount of funds obtained through the extraordinary measure(s) that were used to make the payment(s) to FSA, with a maximum payment being the full amount of the installment paid. Borrowers may also be eligible to receive a payment covering their next loan installment due on all FLP direct loans if they have not received prior IRA Section 22006 assistance that covered a forward installment.

Borrowers can submit requests for extraordinary measures or cash flow-based assistance in person at their local FSA office or by sending in a direct request using the farmers.gov 22006 assistance request portals at farmers.gov/loans/inflation-reduction-investments/assistance. All requests for assistance must be received by December 31, 2023.

Borrowers can learn more about extraordinary measures and cash flow-based assistance, including complete eligibility requirements, at farmers.gov/loans/inflation-reduction-investments/assistance.

As USDA learns more about the types of situations financially distressed farmers are facing, the Department will continue to update borrowers and the public about new assistance for distressed borrowers. USDA will also provide regular updates about its progress in deploying this funding to farmers who need it.

USDA Announces Milk Loss Assistance for Dairy Operations Impacted by 2020, 2021 and 2022 Disaster Events



USDA announced Milk Loss Program (MLP) assistance for eligible dairy operations for milk that was dumped or removed, without compensation, from the commercial milk market due to qualifying weather events and the consequences of those weather events that inhibited delivery or storage of milk (e.g., power outages, impassable roads, infrastructure losses, etc.) during calendar years 2020, 2021 and 2022. Administered by the Farm Service Agency (FSA), signup for MLP begins Sept.

11 and runs through Oct. 16, 2023.

Background

On Dec. 29, 2022, President Biden signed into law the *Extending Government Funding and Delivering Emergency Assistance Act* (P.L. 117-43), providing \$10 billion for crop losses, including milk losses due to qualifying disaster events that occurred in calendar years 2020 and 2021. Additionally, the *Disaster Relief Supplemental Appropriations Act, 2023* (Pub. L.

117-328) provides approximately \$3 billion for disaster assistance for similar losses that occurred in calendar year 2022.

Eligibility

MLP compensates dairy operations for milk dumped or removed without compensation from the commercial milk market due to qualifying disaster events, including droughts, wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), and smoke exposure that occurred in the 2020, 2021 and 2022 calendar years. Tornadoes are considered a qualifying disaster event for calendar year 2022 only.

The milk loss claim period is each calendar month that milk was dumped or removed from the commercial market. Each MLP application covers the loss in a single calendar month. Milk loss that occurs in more than one calendar month due to the same qualifying weather event requires a separate application for each month.

The days that are eligible for assistance begin on the date the milk was removed or dumped and for concurrent days milk was removed or dumped. Once the dairy operation restarts milk marketing, the dairy operation is ineligible for assistance unless after restarting commercial milk marketing, additional milk is dumped due to the same qualifying disaster event. The duration of yearly claims is limited to 30 days per year for 2020, 2021 and 2022.

How to Apply

To apply for MLP, producers must submit:

- FSA-376, *Milk Loss Program Application*
- Milk marketing statement from the:
 - Month prior to the month milk was removed or dumped.
 - Affected month.
- Detailed written statement of milk removal circumstances, including the weather event type and geographic scope, what transportation limitations occurred and any information on what was done with the removed milk.
- Any other information required by the regulation.

If not previously filed with FSA, applicants must also submit all the following items within 60 days of the MLP application deadline:

- Form AD-2047, *Customer Data Worksheet*.
- Form CCC-902, *Farm Operating Plan* for an individual or legal entity.
- Form CCC-901, *Member Information for Legal Entities* (if applicable).
- Form FSA-510, *Request for an Exception to the \$125,000 Payment Limitation for Certain Programs* (if applicable).
- Form CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, (if applicable).
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 *Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification*) for the MLP producer and applicable affiliates.

Most producers, especially those who have previously participated in FSA programs, will likely have these required forms already on file. However, those who are uncertain or want to confirm the status of their forms can contact their local [FSA county office](#).

MLP Payment Calculation

The final MLP payment is determined by factoring the MLP payment calculation by the applicable MLP payment percentage.

The calculation for determining MLP payment is:

- $((\text{Base period per cow average daily milk production} \times \text{the number of milking cows in a claim period} \times \text{the number of days milk was removed or dumped in a claim period}) \div 100) \times \text{pay price per hundredweight (cwt.)}$

For MLP payment calculations, the milk loss base period is the first full month of production before the dumping or removal occurred.

The MLP payment percentage will be 90% for underserved producers, including socially disadvantaged, beginning, limited resource, and veteran farmers and ranchers and 75% for all other producers.

To qualify for the higher payment percentage, eligible producers must have a CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, form on file with FSA for the 2022 program year.

Adjusted Gross Income (AGI) limitations do not apply to MLP, however the payment limitation for MLP is determined by the person's or legal entity's average adjusted gross farm income (income derived from farming, ranching and forestry operations). Specifically, a person or legal entity, other than a joint venture or general partnership, cannot receive, directly or indirectly, more than \$125,000 in payments under MLP if their average adjusted gross farm income is less than 75% of their average AGI or more than \$250,000 if their adjusted gross farm income is at least 75% of their average AGI.

More Information

In other FSA dairy safety-net support, [Dairy Margin Coverage \(DMC\)](#) program payments have triggered every month, January through July, for producers who obtained coverage for the 2023 program year. July 2023's income over feed margin of \$3.52 per hundredweight (cwt.) is the lowest margin since DMC program benefits to dairy producers started in 2019. To date, FSA has paid more than \$1 billion in DMC benefits to covered dairy producers for the 2023 program year.

Additionally, FSA closed the [Organic Dairy Marketing Assistance Program \(ODMAP\)](#) application period on Aug. 11.

On farmers.gov, the [Disaster Assistance Discovery Tool](#), [Disaster Assistance-at-a-Glance fact sheet](#) and [Loan Assistance Tool](#) can help producers and landowners determine program or loan options. For assistance with a crop insurance claim, producers and landowners should contact their [crop insurance agent](#). For FSA and NRCS programs, they should contact their local [USDA Service Center](#).

USDA Launches Farm Labor Stabilization and Protection Pilot Program to Support Agricultural Employers and Farmworkers



The Biden-Harris Administration today announced that agricultural employers can begin to apply for a pilot program designed to improve the resiliency of the food and agricultural supply chain by addressing workforce challenges farmers and ranchers face. The U.S. Department of Agriculture (USDA), in coordination with other federal agencies, is announcing up to \$65 million in grants available for the Farm Labor Stabilization and Protection Pilot Program (FLSP Program).

The program will help address workforce needs in agriculture, promote a safe and healthy work environment for farmworkers, and aims to support expansion of lawful migration pathways for workers, including for workers from Northern Central America, through the Department of Labor's seasonal H-2A visa program. The program makes good on a commitment made and announced as part of the Los Angeles Declaration on Migration and Protection and is funded by President Biden's American Rescue Plan.

The FLSP Program seeks to advance the following Administration priorities:

- Address current workforce needs in agriculture: Based on stakeholder input, USDA identified that agricultural employers have experienced increased challenges finding an adequate supply of workers, which threatens our domestic capacity to produce a safe and robust food supply. This pilot program will help address these challenges by expanding the potential pool of workers, and enhancing employers' competitiveness by improving the quality of the jobs they offer.
- Reduce irregular migration, including from Northern Central America through the expansion of regular pathways: While U.S. agricultural operations seek additional workers, the Biden-Harris Administration has committed to promote the expansion of regular migration pathways, as part of the Los Angeles Declaration on Migration and Protection. The FLSP offers an opportunity to support this commitment, with economic benefits for foreign workers and their families, and professional and economic development opportunities for communities that send their workers to participate in the H-2A program.
- Improve working conditions for farmworkers: A stable and resilient food and agricultural sector relies on attracting and retaining skilled agricultural workers, and strong working conditions are critical to achieve that goal. Through this pilot program, USDA will support efforts to improve working conditions for agricultural workers, both U.S. and H-2A workers. The pilot will help ensure that workers know their rights and the resources available for them, and will promote fair and transparent recruitment practices.

Additional Information

Eligibility for this competitive grant program is limited to domestic agricultural employers who 1) anticipate meeting all Department of Labor (DOL) and Department of Homeland Security (DHS) regulatory requirements for the H-2A program, including demonstrated effort to effectively recruit U.S.-based workers and hire all willing, able, and qualified U.S. workers; and 2) commit to, and indicate capacity to fulfill all Baseline Requirements, as well as any selected (supplemental) commitments that entail additive worker benefits and protections. Eligible

employers include fixed-site employers, joint-employers, agricultural associations, and H-2A labor contractors.

The maximum award amount is \$2,000,000 and the minimum amount is \$25,000 per grant agreement (including any sub-awardees). Award amounts will be determined based on the projected number of full-time equivalent (FTE) agricultural employees, desired award level, as well as the competitive nature of the application. Consistent with the H-2A requirements, applicants must demonstrate insufficient availability of a U.S.-based workforce. The grant window for each recipient is 24 months, allowing producers to use the grant over the course of two agricultural production seasons.

Applications for the FLSP program must be received on or before 11:59 pm Eastern Time on November 28, 2023. More information about the application process can be found here: www.ams.usda.gov/flsp.

This announcement is part of the Biden-Harris Administration's Investing in America agenda to grow the American economy from the middle out and bottom up by rebuilding our nation's infrastructure, creating good-paying jobs, and building a clean energy economy to tackle the climate crisis and make our communities more resilient.

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Contact Your Local Service Center

[Tennessee Service Center Locator](#)

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