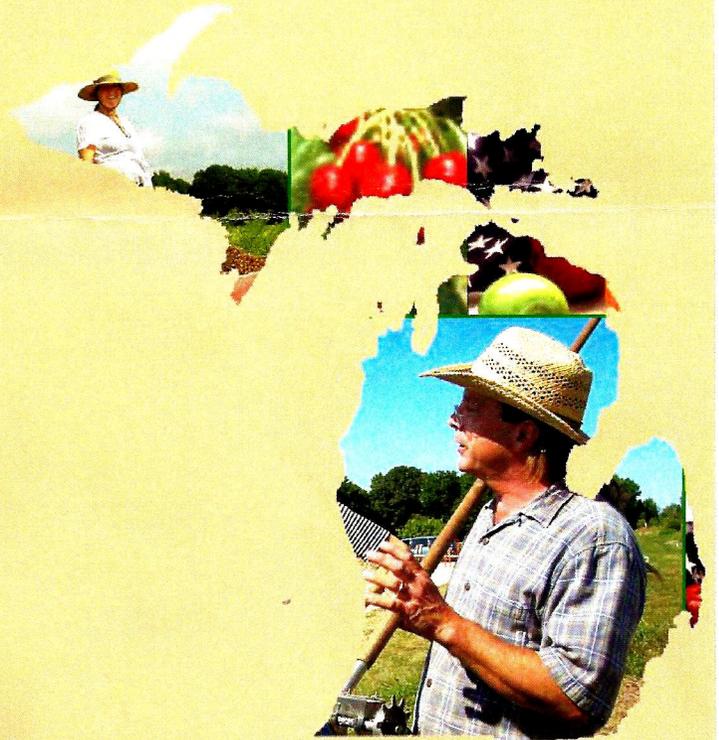


**USDA
State
Outreach
Council**

2008 Farm Bill

**Programs and Assistance
geared to Organic Fruit,
Vegetable, and Specialty
Crop Growers**



**The Food, Conservation,
and Energy Act of 2008**

www.usda.gov

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The Food, Conservation, and Energy Act of 2008

The Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill) provides more benefits geared to organic growers; beginning farmers; fruit, vegetable, specialty crop growers; and minority farmers, than any previous Farm Bill. The following information is provided to raise the awareness of organic fruit, vegetable and specialty crop growers of a few of the potential benefits forthcoming through USDA agencies, as a result of the Farm Bill Programs and where to access the programs. Some program discussed in this brochure may be implemented immediately, while others will be implemented over the next year as funds are allocated.

- To get yourself positioned to benefit from the Farm Bill opportunities you may want to:
1. Get on the USDA agency mailing list of agencies offering programs that interest you.
 2. Learn who administers each program, where their office is located, and what the basic qualifications are for the program.
 3. Know where to look for program announcements so that you don't miss any signup deadlines.

<u>Opportunities for Organic Growers</u>	Agency to Contact
Organic Cost-Share Certification —Organic farmers and handlers are provided funding (not to exceed \$750) to offset the cost of becoming USDA certified.	MI Dept. of Agriculture
Organic Agriculture Research & Extension Initiative —\$78 million in funds are dedicated to competitive grants to research institutions to develop needed organic production and marketing information for organic producers.	Cooperative State Research, Education, and Extension Service
Classical/Conventional Plant Breeding —Within the National Research Initiative, classical plant breeding is made a priority. This action will help organic producers obtain plant varieties that are best suited to their regions and environmental conditions.	Cooperative State Research, Education, and Extension Service

<u>Opportunities for Organic Growers</u>	Agency to Contact
Organic Production & Market Data Initiatives —USDA is required to collect, publish, and conduct statistical analysis and surveys concerning organic production and markets.	National Agriculture Statistic Service
Organic Conservation Practices — USDA is directed to incorporate specialty crop and organic production fully into conservation practices. Technical assistance is enhanced for organic and specialty crop producers. Conservation practices related to organic transition and production systems are listed as eligible activities under conservation programs.	Natural Resources Conservation Service
Crop Insurance —Organic producers are currently required to pay a surcharge of five percent for crop insurance. USDA is required to evaluate premium levels and price elections for organic crops to ensure that prices are based on price and loss history for individual organic crops rather than an arbitrary surcharge.	Risk Management Agency

Programs for all Fruit and Vegetable Growers

<u>Asparagus Market Loss</u>	Agency to Contact
Asparagus Market Loss Program —Provides compensation for losses suffered due to imports.	Farm Service Agency

<u>Conservation Opportunities</u>	Agency to Contact
Conservation Stewardship Program —Producers may receive annual payments for good conservation stewardship on working lands.	Natural Resources Conservation Service (NRCS). Staff are housed in USDA Service Centers
Environment Quality Incentives Program —Producers may receive financial and technical assistance to install or implement structural and management conservation practices on eligible agricultural land.	

Conservation Opportunities

Agency to Contact

Wildlife Habitat Incentives Program—Provides technical & financial assistance to develop and improve high quality habitat that support wildlife populations.

Wetland Reserve Program— Provides technical and financial assistance to landowners to restore, enhance, and protect wetlands.

Soil Survey Program—On-the-ground inventories of each type of soil, data about the characteristics of each type, & information about each use of that soil.

Conservation Technical Assistance- provides support and tools to help people conserve, maintain, and improve their natural resources.

Cooperative Conservation Partnership Initiative— Six percent of funds from EQIP, CSP, WHIP, and Farm & Ranch Lands Protection Program are set aside for targeted groups of producers who are members of a state/local/tribal government, producer association, or other nongovernmental organization, that has been selected through a competitive application process to enhance conservation outcomes on the land of producers within their targeted group.

Healthy Forest Reserve Program— Assists landowners to restore and protect forest land resources and protects at risk species. HFRP allows for 10-year cost-share agreements and 30-year easement or permanent easements.

Farm and Ranch Lands Protection Program—Provides matching funds to help State, tribal, or local governments and non-governmental organizations purchase development rights to keep productive farm and rangeland in agricultural uses.

Conservation Reserve Program— Offers annual rental payments, incentive payments, and cost-share payments to encourage farmers to plant long-term resource-conserving covers to improve soil, water, and wildlife resources.

Community Forest and Open Space Conservation Program— Provides matching funds to help county or local governments or non-profit purchase from sellers private forests that are threatened by conversion to non-forest use and are economically, culturally, and environmentally important to communities.

Natural Resources Conservation Service (NRCS)
Staff are housed in USDA Service Centers

Farm Service Agency (FSA)
staff are housed in USDA Service Centers

To be Determined

<u>Disaster and Crop Insurance Opportunities</u>	Agency to Contact
<p>Noninsured Crop Disaster Assistance Program (NAP)—provides financial assistance to producers of non-insurable crops when low yields, loss of inventory or prevented planting occurs due to natural disasters. Applications must be submitted by the purchase closing date. The service fee is the lesser of \$250 per crop or \$750 per producer per administrative county, not to exceed a total of \$1,875 per producer with farming interest in multiple counties.</p>	<p>Farm Service Agency staff are housed in USDA service centers.</p>
<p>Crop Insurance—coverage is available for more than 100 crops (though not all crops are eligible in every county). Federal crop insurance policies typically consist of the Common Crop Insurance Policy, the specific crop provisions and policy endorsements and special provisions. Multiple-peril crop insurance policies are available for most insured crops. Catastrophic Coverage (CAT), a policy endorsement, pays 55% of the established price of the commodity on crop losses in excess of 50 percent. Revenue Insurance Plans—Insurance is based on revenue guarantees instead of yield guarantees. Revenue policies protect a grower's loss of revenue resulting from fluctuating prices, low yields or a combination of the two.</p>	<p>Risk Management Agency Sold through private Crop Insurance Sales Agents</p>
<p>Crop Disaster Program 2005-2007 (Quality Losses)—provides benefits to farmers who suffered quality losses (as well as quantity losses) from natural disasters and related conditions to 2005, 2006, or 2007 crops. Producers must choose one year to receive benefits. Growers must have had crop insurance or been covered by the Noninsured Crop Disaster Assistance Program (NAP).</p>	<p>Farm Service Agency staff are housed in USDA service centers.</p>
<p>Supplemental Agricultural Disaster Assistance Program—Producers who wish to participate in any of the five new Disaster Assistance Programs must purchase at least catastrophic risk protection (CAT) level of crop insurance for all insurable crops and Noninsured Crop Disaster Assistance Program (NAP) coverage for all non-insurable crops. The five new disaster programs include: 1) Emergency Assistance for Livestock, Honey Bees and Farm-Raised Fish; 2) Livestock Forage Program; 3) Livestock Indemnity Program; 4) Supplemental Revenue Assistance Payments Program; and 5) Tree Assistance Program.</p>	
<p>Requesting Insurance not available on your crop or in your county- Producers may request insurance coverage for an insurable crop that is not available in the county by completing a Request for Actuarial Change through a crop insurance agent. To request insurance coverage on a crop not currently insured, contact the RMA Springfield Regional Office, 3500 W. Wabash Avenue, Springfield, Illinois 62707.</p>	<p>Risk Management Agency</p>

<u>Loan Opportunities for Beginning Farmers and/or Socially Disadvantaged Farmers</u>	Agency to Contact
<p>Down Payment Loan Program—Adds Socially Disadvantaged Farmers (SDF) as eligible applicants, along with Beginning Farmers. Also, adjusts the interest rate to 4% below the standard direct farm ownership interest rate or 1.5%, whichever is greater. It updates the maximum allowable sales price, decreases the borrower's minimum down payment requirement from 10 to 5 percent and increases the allowable term from 15 to 20 years.</p>	<p>Farm Service Agency staff are housed in USDA service centers</p>
<p>Increased Loan Limits—1) Increases direct farm ownership and operating loan limitation to \$300,000. 2) Increases the amount of loan funds set aside for use by Beginning Farmers and Socially Disadvantaged Farmers in all program areas.</p>	
<p>Priority in Purchase of FSA Inventory Property—Adds Socially Disadvantaged Farmers, along with previously eligible Beginning Farmers, initial preference in the purchase of FSA inventory property.</p>	
<p>Other Opportunities—1) Temporarily eliminated term limits on guaranteed loans, 2) allows all farming experience to be considered when applying for a loan (regardless of when this experience occurred), and 3) extends right of first refusal to reacquire homestead property to immediate family members of socially disadvantaged farmer borrowers.</p>	

<u>New Opportunities</u> The following programs will be available to the public after funding is provided and regulations are developed.	Agency to Contact
<p>Beginning Farmer & Rancher Individual Development Accounts Pilot Program—Establishes a new pilot program that provides grants to enable community-based nonprofits and state, local, and tribal government agencies to promote matched savings accounts for qualified beginning farmers and ranchers and allows the proceeds to be used on capital expenditures for the farm.</p>	<p>Farm Service Agency staff are housed in USDA service centers</p>
<p>Beginning Farmer Land Contract Program—Makes the land contract guaranteed loan pilot program permanent and nationwide.</p>	
<p>Soil and Water Conservation Protection Loans- 1) Adds priority for beginning farmers and socially disadvantaged farmers, as well as for those converting to organic and sustainable farming practices, and 2) Adds conversion to organic production and/or sustainable farming practices as eligible loan purposes.</p>	

<u>Marketing Opportunities</u>	Agency to Contact
<p>Purchases of Locally Produced Foods. Encourages institutions receiving funds through the 2008 Act and through the Child Nutrition Act to purchase locally grown and locally raised foods.</p> <ul style="list-style-type: none"> • The Fresh Fruit and Vegetable Program, which provides free fresh fruits and vegetables to children in schools with at least 50% free/reduced price eligibility, is expanded nationwide for schools . Therefore, more schools will be encouraged to purchase fruits and vegetables locally. • The Department of Defense Fresh Fruit and Vegetable Program, participating in the school lunch program, are allowed to use a geographic preference for the procurement of locally grown fruits and vegetables. • The Emergency Food Assistance Program is increased \$1.256 billion to increase commodity purchases for food banks. 	<p>Michigan Department of Education</p> <p>Dept. of Defense</p> <p>Farm Service Agency in Washington, D.C.</p>
<p>Specialty Crop Block Grants –Funds to State Departments of Agriculture are increased to \$55 million to enhance the competitiveness of specialty crops in areas such as marketing, promotion, education, research, trade, and nutrition.</p>	<p>Michigan Department of Agriculture</p>
<p>Market Access Program (MAP)— MAP provides funding to increase the availability and viability of U.S. specialty crops in foreign markets.</p>	<p>Michigan Department of Agriculture</p>
<p>Seniors Farmer Market Program—Provides low-income seniors with coupons that can be exchanged for fresh, nutritious, unprepared, locally grown fruits, vegetables, and herbs at approved farmers’ markets, roadside stands, and community supported agriculture programs.</p>	<p>Office of Services to the Aging & Grand Traverse Band of Ottawa & Chippewa</p>
<p>Purchases of Fruits, Vegetables, and Nuts for Domestic Nutrition Assistance Programs—USDA is required to purchase certain minimum amounts of fruits, vegetables and nuts for Nutrition Assistance Programs.</p>	<p>Farm Service Agency staff housed in Washington, D.C.</p>
<p>Farmer Market Nutrition Program—Provides the Women, Infants, and Children (WIC) participants with coupons that can be exchanged for fresh, nutritious, unprepared, locally grown fruits and vegetables at approved farmers’ markets, roadside stands, and community supported agriculture programs.</p>	<p>Michigan Department of Community Health</p>

Providing Input into the Development of the Program Rules

How can I provide suggestions on implementation of these USDA programs?

During the period when Congress is debating the farm bill, the public can provide input into their needs to their Senators and Representatives in Congress. After the farm bill was passed by Congress, and signed by the President, the public can still have input into the development of the rules that are used to implement the farm bill programs through the Federal Register System.

What is the Federal Register?

The Federal Register publication system is a method of informing the public of the regulations affecting them. The Federal Register Act, which became law on July 26, 1935, established this uniform system for handling regulations for all agencies of the Federal Government. The Administrative Procedure Act (June 11, 1946) added the procedures for giving the public the right to participate in the rulemaking process by commenting on the rules that government employees propose to implement.

How can I make suggestions?

As the detailed rules are developed for the programs described in this brochure, each rule will be published in the Federal Register providing the public a specific timeframe in which they can submit comments. You can see what regulations have recently been published in the Federal Register at http://www.usda.gov/wps/portal/tut/p/_s.7_0_A/7_0_2KD?navid=FARMBILL2008. You can also find links to proposed regulations on the web pages of Natural Resources Conservation Service, Farm Service Agency, and Rural Development.

What kind of suggestions can I make?

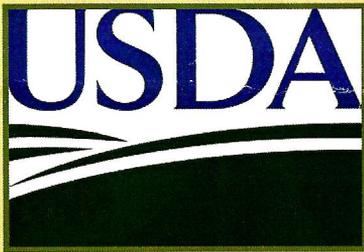
Comments generally help provide the writer of the regulation with suggested changes to the rules that would make the program work better for all customers. Agriculture is different in all parts of the country. Comments help the writer of the regulation understand the needs of farmers and ranchers throughout the country and helps to ensure that barriers to participation are eliminated.

Is it worth my effort to try to provide suggestions?

When comments/suggestions are received, the writer of the regulation must address each comment/suggestion and explain why it was accepted or why it was not accept into the final rules that are used to run the program. Therefore, this system allows the public the opportunity to provide suggestions on the rules that will be used for the next few years to run the programs. Once the rules are finalized, they are not easily changed. Often the same rules will apply until the next time that a farm bill is passed by Congress. Therefore, now is a timely opportunity for providing your suggestions on the best rules to run the USDA programs.

When will proposed rules be available for comment?

Most of the proposed regulations for programs from the 2008 Farm Bill will be published in the Federal Register during the fall of 2008 and early in 2009.



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