

# Growing Opportunity

## A Guide to USDA Sustainable Farming Programs



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# Farmers' Guide to Innovative USDA Programs and Resources

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Today's farmers are changing the way we farm and eat in this country. Folks starting out in farming today are:

- *From both rural and urban areas, and everywhere in between*
- *Conscious of their impact on the environment and interested in learning how to protect natural resources on their farms*
- *Pursuing new markets and selling both fresh and value-added products directly to consumers, wholesalers, restaurants, schools, and food hubs*
- *More likely to be female, a person of color, and/or have served in the U.S. military*
- *More likely to consider diversification options, comprehensive conservation systems, and organic farming practices*

USDA recognizes the needs of farmers of all kinds, and has worked hard to improve federal resources so they work for all farmers. It has also reached out to farm organizations like the National Sustainable Agriculture Coalition (NSAC) to help with outreach to an increasingly diverse constituency for USDA programs. NSAC worked with USDA to produce this guide, and has also been very involved in the creation of the programs included in the guide.

This guide is for anyone who is farming – or thinking about getting into farming – whether you're a beginner or just looking to try something new.

## How To Use This Guide

This guide details the dozens of USDA programs that have been created to help farmers succeed. Programs are broken down by agency (see page 26 for a description of what each agency does), and each page provides helpful information on who's eligible, what a program helps farmers do, and where to go to get more information. Not sure what you're looking for? Start with the handy chart on pages 4-5.

All of this information can be found on the online Farmers' Guide portal at <http://bit.ly/farmguideonline>.

**Happy Farming!**

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# Getting Started: What Are You Hoping To Do?

## CONSERVATION

*Soil, water, wildlife, profitability*

**I want to improve the quality of my soil** 20 21 23

**I want to reduce water usage** 20 21 23

**I want to improve wildlife and/or pollinator habitat on my farm** 13 20 21 23

**I want to improve the sustainability of my farm overall and build upon my good conservation practices** 23

**I want to research innovative conservation techniques on my farm** 25

## MARKETS

*New products & markets, local & direct, food safety, advertising*

**I want to develop a new product from my farm's raw materials - and/or develop a business plan to do this** 24

**I want to market my products in a new way (local, organic, grass-finished, etc)** 24

**I want to adopt improved food safety practices so I can access new markets** 16

**I want to test out growing or raising something new for market** 25



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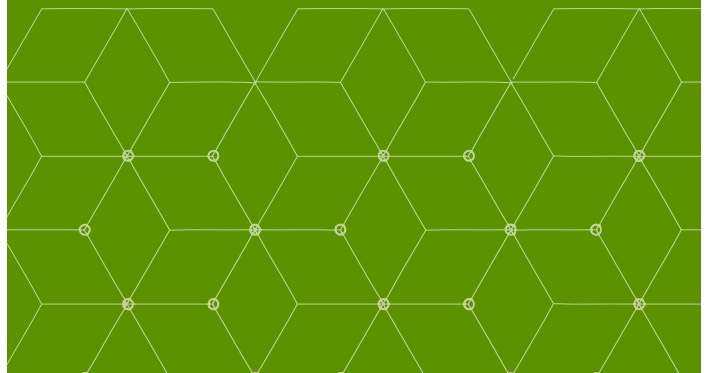
## LAND

*Buy, sell, lease, transition*

**I want to buy farmland** 7 8 9 10 12

**I want to lease farmland** 6 8 12

**I want to sell or transition my farmland to a beginning or minority farmer** 10 12





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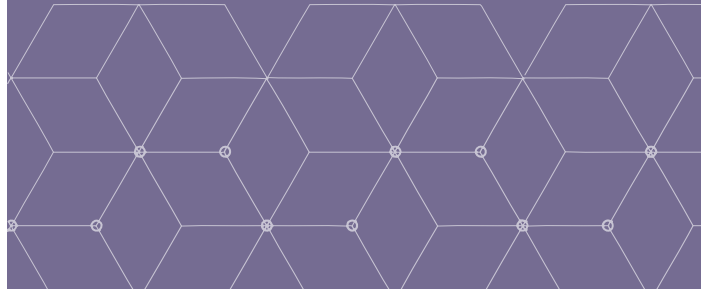
## RISK MANAGEMENT

*Insurance, disaster & crop loss*

I want to insure my crops and/or animals against losses 14 17

Traditional crop insurance isn't an option for me but I still need basic protection 14

I want to insure my entire farm and/or a diversified operation 17



## INFRASTRUCTRE & OPERATING EXPENSES

*Tractors, business plans, seeds, storage, season extension*

I want to purchase needed farm equipment 6 8

I want to cover my farm's operating expenses until I am paid for my crops 6

I want to invest in a new enterprise or marketing a new product 24

I want to invest in buildings and equipment to help me process, store, or deliver my products 11

I want to increase the length of my growing season by using hoop houses or high tunnels 22

I want to be reimbursed for the cost of organic certification 15



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# Farm Operating Loans

Providing low interest financing for annual farm operating expenses

Farming is a business, and just like other business owners, farmers need access to financial resources (i.e., capital) to grow and build their enterprises. FSA **Direct Farm Operating Loans** support established and beginning farmers of all kinds by providing short-term financing to cover annual operating expenses. These expenses include but are not limited to: livestock, farm equipment, feed, seed, fuel, rent, insurance, or minor improvements to existing buildings and farm infrastructure. FSA **Guaranteed Farm Operating Loans** help farmers obtain more affordable financing from a bank or other lending institution by providing the commercial lender a government guarantee.

**Requirements:** To apply, farmers must demonstrate sufficient education, training and experience; be unable to obtain credit from other sources; have an acceptable credit history; and be not larger than a family-sized farm (i.e., one in which the farm family provides all the management and a substantial amount of the total labor). A farmer must be able to demonstrate their ability to repay the loan and have enough collateral to secure the loan. Talk to your local FSA agent for more details on eligibility.

Beginning, minority, and women farmers receive special priority from USDA in applying for farm loans, including FSA Direct Operating Loans.

**Loan Terms:** Repayment terms vary, but operating loans are normally repaid within seven years. Interest rates are calculated monthly, and can be found on the FSA website (see sidebar). Maximum direct loan amount is \$300,000; maximum amount for a guaranteed loan is \$1,399,000 (adjusted annually for inflation). Operating loans under \$50,000 are considered microloans (see page 8) and have a streamlined application process and more flexible requirements and terms.

## Who's Eligible?

Family farms, including beginning, minority, and veteran farmers.

## Eligible Program Uses?

To finance farm equipment, feed, seed, fuel, and other annual expenses.

## More Information:

NSAC's Grassroots Guide to Farm Operating Loans

<http://bit.ly/farmguide6-1>

USDA Farm Operating Loan information

<http://bit.ly/farmguide6-2>

## To Apply:

Contact your local FSA office

<http://bit.ly/farmguide6-3>



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# Farm Ownership (Real Estate) Loans

Affordable financing for farmland, buildings, and conservation improvements

Access to credit is critical for farmers and ranchers. Often, it can be the deciding factor in whether or not they are able to pursue a career in agriculture, or able to continue with an existing farming operation. FSA **Direct Farm Ownership Loans** support established and beginning farmers by providing affordable financing directly from FSA. FSA **Guaranteed Farm Ownership Loans** help farmers obtain more affordable financing from a bank or other lending institution by providing the commercial lender a government guarantee.

**Requirements:** To apply, farmers must demonstrate sufficient experience managing or operating a farm, be unable to obtain credit from other sources, have an acceptable credit history, and be not larger than a family-sized farm (i.e., one in which the farm family provides all the management and a substantial amount of the total labor). A farmer must be able to demonstrate their ability to repay the loan and have enough collateral to secure the loan. Talk to your local FSA agent for more details on eligibility.

Beginning, minority, and women farmers receive special priority from USDA in applying for farm loans, including FSA Direct and Guaranteed Farm Ownership Loans.

**Loan Terms:** Repayment terms vary but cannot exceed 40 years for ownership loans. Interest rates are calculated monthly, and can be found on the FSA website (see sidebar). Maximum direct loan amount is \$300,000; maximum amount for a guaranteed loan is \$1,399,000 (adjusted annually for inflation).

## Who's Eligible?

Family farms including beginning, minority, and veteran farmers and ranchers.

## Eligible Program Uses?

To finance the purchase of farmland, the purchase or repair of farm buildings, or the installation of conservation structures.

## More Information:

NSAC's Grassroots Guide to Farm Ownership Loans

<http://bit.ly/farmguide6-1>

USDA Farm Ownership Loan information

<http://bit.ly/farmguide7-2>

## To Apply:

Contact your local FSA office

<http://bit.ly/farmguide6-3>



# Farm Microloans

## Streamlined small loan options for operating costs, land, or equipment purchases

Access to capital is often cited as the number one barrier for those interested in pursuing a career in farming. FSA **Microloans** are tailored to the smaller-scale operations of beginning farmers and farmers serving local and regional food markets – including urban and small-scale diversified farmers. Examples of eligible purchases include but are not limited to: seeds, animals, small equipment, marketing-related costs, and small parcels of farmland.

**Requirements:** To apply, farmers must demonstrate sufficient education, training and experience; be unable to obtain credit from other sources; have an acceptable credit history; and be considered not larger than a family-sized farm (i.e., one in which the farm family provides all the management and a substantial amount of the total labor). A farmer must be able to demonstrate their ability to repay the loan and have enough collateral to secure the loan.

Beginning, minority, women, and veteran farmers receive special priority from USDA in applying for farm loans, including Microloans.

**Loan Terms:** Microloan repayment schedules and loan terms are similar to those of FSA Direct Loans (see page 6 and page 7), however, the maximum loan amount for microloans is capped at \$50,000. Unlike other FSA loans, microloans made to beginning and veteran farmers do not count toward the total number of years a farmer can receive FSA loan assistance. Microloans can also be used in the context of the Down Payment Loan Program (see page 9).

### Who's Eligible?

Beginning, minority, veteran, and established family farmers.

### Eligible Program Uses?

To finance farming related operating expenses and/or equipment or small land purchases.

### More Information:

NSAC's Grassroots Guide to Microloans

<http://bit.ly/farmguide8-1>

USDA Microloan information

<http://bit.ly/farmguide8-2>

### To Apply:

Contact your local FSA office

<http://bit.ly/farmguide6-3>



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# First Time Farm Buyer Loans

A joint financing option to help beginning and underserved farmers purchase farmland

Access to affordable farmland is one of the most significant challenges that aspiring farmers face when looking to start a career in agriculture. To help beginning farmers, FSA offers a special joint-financing loan option, the **Down Payment Loan Program**, which creates a partnership between the farmer, FSA, and a private lender in order to help beginning and socially disadvantaged farmers buy farmland.

**Requirements:** To qualify, farmers must have been farming for ten years or less, or be a member of a socially disadvantaged group, including minorities and women. A five percent cash down payment is required, and the borrower must be able to secure a commercial loan for at least 50 percent of the purchase price.

To apply, farmers must demonstrate sufficient experience managing or operating a farm, have an acceptable credit history, and not already own farmland bigger than 30 percent of the average acreage of the farms in the county. A farmer must be able to demonstrate their ability to repay the loan and have enough collateral to secure the loan. Talk to your local FSA agent for more details on eligibility.

**Loan Terms:** The repayment period for the FSA portion of the loan is scheduled in equal, annual installments for a term not to exceed 20 years. The repayment terms for the commercial portion of the loan can vary but cannot exceed 40 years. Interest rates on the FSA portion of the loan are calculated monthly, at a fixed rate that is four percent lower than the regular FSA farm ownership loan rate, but never lower than 1.5 percent. See the FSA website for current rates. The maximum purchase price for the loan cannot exceed \$667,000. FSA can also provide the commercial lending partner with a 95 percent guarantee, which helps keep the commercial interest rate lower than it might otherwise be.

## Who's Eligible?

Beginning and minority farmers.

## Eligible Program Uses?

To finance the purchase of farmland.

## More Information:

NSAC's Grassroots Guide to Down Payment Loans

<http://bit.ly/farmguide9-1>

USDA Down Payment Loan information

For women and people of color:

<http://bit.ly/farmguide9-2>

For beginning farmers and ranchers:

<http://bit.ly/farmguide9-3>

## To Apply:

Contact your local FSA office

<http://bit.ly/farmguide6-3>



# Loan Guarantees to Connect Retiring and Beginning Farmers

Providing federal loan guarantees for retiring farmers who self-finance the sale of their land to a beginning or minority farmer

Two of the biggest barriers for beginning farmers are access to land and capital. FSA's **Land Contract Guarantee Program** helps farmers help one another, by connecting farmers looking to sell their farmland with beginning and minority farmers looking for property. This loan program reduces the financial risk for retiring farmers who self-finance the sale of their land and creates an additional, much-needed option for land access for new and minority farmers.

**Requirements:** To qualify to purchase land through this program, a farmer must have been farming for ten years or less, or be a member of a socially disadvantaged group (e.g. minorities or women). A farmer must also be unable to obtain credit from other sources, have an acceptable credit history, intend to be the owner or operator of the farm being purchased, and be able to provide a 5 percent cash down payment.

**Loan Guarantee Options:** The seller can choose between a Prompt Payment Loan Guarantee or a Standard Guarantee, both effective for ten years. The Prompt Payment Guarantee option would afford the seller up to three annual installments plus the cost of related real estate taxes and insurance. The Standard Guarantee option protects 90 percent of the outstanding principal balance under the land contract. The purchase price or appraised value of the farm or ranch that is the subject of the contract sale cannot be greater than \$500,000.



## Who's Eligible?

Retiring farmers together with beginning and minority farmers.

## Eligible Program Uses?

To encourage the private sale of farmland to new and minority farmers.

## More Information:

NSAC Grassroots Guide to Land Contract Guarantee Program

<http://bit.ly/farmguide10-1>

USDA Land Contract Guarantee Program Information

<http://bit.ly/farmguide10-2>

## To Apply:

Contact your local FSA office

<http://bit.ly/farmguide6-3>

# Farm Storage Loans

Helping farmers build or upgrade on-farm storage and packing facilities

On-farm storage is essential for farmers who need to keep food fresh and safe prior to marketing. **Farm Storage Facility Loans** provide farmers with very low-interest financing to help pay for the equipment and facilities they need to safely wash, package, store, and transport their products, including:

- Packing sheds and walk-in coolers
- Graders, sorters, conveyers, washers, and dryers
- Portable storage and handling trucks, including mobile refrigeration
- Grain drying and storage

**Eligible Commodities:** Fruits, vegetables, meat, poultry, dairy, eggs, grains, pulses (e.g. chickpeas or lentils), hay, renewable biomass, honey, maple syrup, flowers, hops, and aquaculture.

**Eligible Costs:** Purchase price and sales tax; cost of new materials; shipping and delivery; site prep costs; installation costs; off-farm paid labor; appraisals and legal fees.

**Requirements:** To apply, a farmer must have satisfactory credit, be able to repay the loan, have proof of crop insurance, and produce an eligible commodity. Talk to your local FSA agent for more details on eligibility.

<b>Loan Terms:</b>	Regular	Microloan
Loan Amount:	\$500,000 (max)	\$50,000
Down Payment:	15%	5%

## Who's Eligible?

Any farmer.

## Eligible Program Uses?

To finance construction or purchase of on-farm and mobile storage, packing, washing, and handling facilities.

## More Information:

NSAC's Grassroots Guide to Farm Storage Loans

<http://bit.ly/farmguide11-1>

USDA Farm Storage Loan program information

<http://bit.ly/farmguide11-2>

## To Apply:

Contact your local FSA office

<http://bit.ly/farmguide6-3>





# Transition Assistance for Conservation Farmland

## Helping retiring farmers rent or sell expiring Conservation Reserve Program (CRP) land to beginning and underserved farmers

While retiring farmers are deciding what to do with their expiring CRP acres, beginning, veteran, and minority farmers may be struggling to access new land. The **CRP Transition Incentives Program (CRP-TIP)** helps connect the dots.

**CRP-TIP** offers two years of extra CRP rental payments to owners or operators of expiring CRP land who rent or sell their land to beginning, socially disadvantaged or veteran farmers or ranchers who will use sustainable grazing practices, resource-conserving cropping systems, or organic production methods. The incoming producer will have the option to enroll the former CRP acres in the Conservation Stewardship Program or Environmental Quality Incentives Program, and to re-enroll portions of the land in CRP through the “continuous sign-up,” which is for conservation practices such as buffer strips.

**Eligibility:** Retiring farmers and ranchers with expiring CRP contracts; beginning and socially disadvantaged farmers and ranchers; veteran farmers and ranchers who have been farming for no more than 10 years.

**Requirements:** Before the CRP contract is terminated, the retired or retiring owner or operator must sell or lease some or all of the land that was covered by the CRP contract to a beginning or underserved farmer, who must develop and implement a conservation plan for the land.



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### Who's Eligible?

Farmers with CRP contracts set to expire within one year.

### Eligible Program Uses?

To transfer expiring CRP acres from retiring farmers to beginning, minority, and veteran farmers who will conserve natural resources on the land.

### More Information:

NSAC's Grassroots Guide to CRP-TIP

<http://bit.ly/farmguide12-1>

USDA CRP-TIP information

<http://bit.ly/farmguide12-2>

### To Apply:

Contact your local FSA office

<http://bit.ly/farmguide6-3>



# Field Border Buffers for Organic Producers

## Helping Farmers Meet Organic Certification Requirements and Enhance Natural Resources

Organic farmers are required by the National Organic Program (NOP) to meet certain conservation standards in order to be certified organic. The organic buffer initiative, which is part of the Conservation Reserve Program (CRP), helps organic farmers enhance their conservation systems and meet NOP certification requirements at the same time.

The **CRP Field Border Buffer Initiative** provides farmers with cost-share, rental payments, and incentive payments to help cover the cost of installing\*:

- Windbreaks
- Upland Buffers
- Riparian Buffers
- Pollinator Habitat
- Shelterbelts
- Filter Strips
- Other practices

**Program Basics:** Like other CRP contracts, buffer initiative contracts are for either 10 or 15 years, with the longer 15-year agreements intended for tree plantings. Payments include cash rental rate payment plus cost share for installation and, in many cases, additional incentives.

**Eligibility:** In order to be eligible, a farmer must be certified organic, have owned or operated the land for at least one year prior to the contract period (with some exceptions), and the land must be highly erodible, marginal pastureland, ecologically significant grassland, or farmable wetland.

\* Find definitions of these practices at the links in the sidebar to the right.

### Who's Eligible?

Any organic farmer.

### Eligible Program Uses?

To support installation of conservation buffers and other field borders.

### More Information:

NSAC's Grassroots Guide to CRP

<http://bit.ly/farmguide13-1>

NSAC Farmers' Guide

<http://bit.ly/farmguide13-2>

USDA CRP information

<http://bit.ly/farmguide13-3>

### To Apply:

Farmers may enroll in the initiative at any time rather than waiting for specific sign-up periods. Apply by contacting your local FSA office

<http://bit.ly/farmguide6-3>



# Risk Management Assistance for Non-Insured Crops

Providing insurance-style assistance for crops not covered by most federal crop insurance programs

Traditional crop insurance isn't available for all crops or in every county. To help fill that void, FSA has the **Noninsured Crop Disaster Assistance Program (NAP)** to provide a crop insurance-like product to 300+ crops at low cost. If you can't get traditional crop insurance for your crop, this program is for you. This policy allows you to obtain basic risk protection no matter where you are or what you grow or how you market it. NAP will cover the organic, direct market, fresh, and processing crop values when adequate pricing data is available.

In the event of a natural disaster that causes crop losses or prevents planting, NAP enrollees can receive payment on their lost crop to help recoup their expenses for the year. This program covers any crop not insurable by the federal crop insurance program. It includes a basic option for losses of 50 percent or greater at 55 percent of market price as well as buy-up option, with coverage of between 50-65 percent of production based on a crop's full value. All coverage options cost \$250 per crop with a cap of \$750 (higher if you farm in more than one county). Buy-up coverage also has a 5.25 percent premium fee. Fees are waived and premiums cut in half for beginning farmers with less than 10 years experience, limited resource, and socially disadvantaged farmers and ranchers. Payments are capped at \$125,000, and there is a gross income limit of \$900,000.



## Who's Eligible?

Any farmer who grows a crop that is non-insurable under a Risk Management Agency crop insurance policy.

## Eligible Program Uses?

Risk management for crops that can't be insured through a federal crop insurance policy, including specialty crops and row crops.

## More Information:

NSAC's Grassroots Guide to NAP

<http://bit.ly/farmguide14-1>

USDA NAP Information

<http://bit.ly/farmguide14-2>  
(fact sheet)

<http://bit.ly/farmguide14-3>  
(eligibility tool)

## To Apply:

Find your local FSA office here:

<http://bit.ly/farmguide14>



# Organic Certification Cost Share

Helping organic farmers and ranchers by reducing the cost of certification

The process of paying annually for organic certification is a significant extra cost, but is an essential step for farmers wanting to tap into the growing demand for certified organic food. Organic certification allows an operation to label and sell their products as organic, adding value and increasing revenue in the long run.

**The National Organic Certification Cost Share Program (NOCCSP)** and the **Agriculture Management Assistance Program (AMA)** both help to address the financial burden of organic certification by reimbursing participants for up to 75 percent of their certification costs, up to \$750 annually. While eligibility varies slightly between the two programs, at least one option is available in all states. Farmers should check with their FSA office or State Department of Agriculture to determine which option is available.

The **Agriculture Management Assistance Program (AMA)** operates the same as NOCCSP except it is not available to handlers and is only available in 12 northeast states plus HI, NV, UT, and WY.

Both cost share programs work through reimbursement: this means a USDA-accredited certifying agent must first certify the farmer or handler before they can be partially reimbursed for the certification expense. Eligible businesses can apply for and receive cost share assistance annually.

Farmers may apply for cost share through their state department of agriculture or at the local FSA office.



## Who's Eligible?

Certified organic farmers, ranchers, and "handlers" (packagers, processors, wholesalers).

## Eligible Program Uses?

To provide organic operations with partial reimbursement for the costs of organic certification.

## More Information:

NSAC's Grassroots Guide to Organic Certification Cost Share

<http://bit.ly/farmguide15-1>

USDA Organic Certification Cost Share Program

<http://bit.ly/farmguide15-2>

## To Apply:

Apply by submitting a short application and tax form, proof of certification, and itemized expenses to FSA. Find your local FSA office here:

<http://bit.ly/farmguide6-3>

Some states also offer the program through the State Department of Agriculture:

<http://bit.ly/farmguide15-3>

Applications are processed in each state on a first-come, first-serve basis annually.

# Food Safety Audit Programs

Helping produce farmers certify on-farm food safety practices to access new markets and demonstrate conformance to regulatory expectations

Whether it is to meet buyer requirements for accessing new markets, or seen as a means to demonstrate conformance with food safety regulatory expectations, specialty crop farmers are increasingly turning to the USDA Agricultural Marketing Service (AMS) voluntary audit programs -- including **Good Agricultural Practices or GAP Audits** -- as a way to demonstrate they are properly managing on-farm food safety risks using standard industry best practices.

USDA AMS offers the following on-farm voluntary food safety audits:

- Produce GAP Harmonized Audit
- Harmonized with Global Markets Addendum
- USDA GAP&GHP Audit Program
- GroupGAP
- Commodity Specific Audits for tomatoes, leafy greens, mushrooms, and cantaloupes

Voluntary audit services provided by AMS cost on average \$750, but costs may vary. Audit services are delivered by local AMS Specialty Crops Inspection Division auditors or by State Department of Agriculture auditors licensed by AMS. A number of state departments of agriculture also have cost share assistance to help farmers recoup the cost of a voluntary audit. Check with your state department of agriculture to ask whether they will reimburse all or some of the costs of an audit.

GroupGAP allows small and mid-sized farms to pool their resources to do food safety training and share the cost of certification. Farm groups, food hubs, co-ops, and other marketing organizations can be the conduit for GroupGAP training and certification.

## Who's Eligible?

Specialty crop farmers, whether intending to certify individually or as a group through a producer cooperative, food hub, or other central organizing entity.

## Eligible Program Uses?

Helps growers demonstrate they have taken measures to manage on-farm food safety risks, using standard industry best practices.

## More Information:

NSAC's Grassroots Guide to Good Agricultural Practices Voluntary Audit Services

<http://bit.ly/farmguide16-1>

USDA Good Agricultural Practices Voluntary Audit Services program information

<http://bit.ly/farmguide16-2>

## To Apply:

Visit <http://bit.ly/farmguide16-2> for instructions on requesting an audit



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# Whole-Farm Revenue Insurance

## Helping highly diversified farms manage risk

Risk management is important for all farmers, but not all farmers have the same risk management needs or access to crop insurance. **Whole-Farm Revenue Protection (WFRP)** is a revenue insurance policy that covers all of the crops (including nursery) and/or animals a farm produces. WFRP is especially useful for diversified farmers, including integrated crop-livestock operations, organic farms, specialty crop farms, and farms serving local markets, for whom insurance for a particular crop may be unavailable in their area, or for whom policies that are available do not cover their niche market price premiums. WFRP allows the insured amount to be adjusted if farm expansion or changes have occurred, so it may also be attractive to producers who are transitioning to a more diversified or intensified cropping system, transitioning to organic commodities, or adding livestock or specialty crops for local markets back into the farming system.

WFRP is administered by USDA's Risk Management Agency, but is only available through a crop insurance agent.

WFRP offers coverage levels of 50-85 percent and is available in every state and every county in the country. Policyholders will receive premium discounts based on the farm's level of diversification up to seven commodities. WFRP provides a whole-farm premium subsidy of up to 80 percent when two or more commodities meeting the diversification requirements are grown and basic subsidy amounts for farms with only one commodity. Coverage is available for expanding operations whose expansion does not yet show up in their historic revenue. WFRP will cover livestock and other animal-based production up to \$1 million worth of production. Costs for activities to make crops ready for market, such as washing and packaging, can be included. WFRP can also be combined with crop policies for single commodities such as a corn or a wheat revenue policy. When the policies are combined, the WFRP policy cost will be reduced.

### Who's Eligible?

Any farmer.

### Eligible Program Uses?

To provide a crop insurance policy that protects the farm revenue from all the crops and animals grown and raised by a given farmer under a single policy.

### More Information:

NSAC's Grassroots Guide to WFRP

<http://bit.ly/farmguide17-1>

USDA's WFRP information

<http://bit.ly/farmguide17-2>

### To Apply:

Contact your local crop insurance agent.

<http://bit.ly/farmguide17-3>



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# Crop Insurance Assistance for Beginning Farmers

Helping beginning farmers manage risk by reducing crop insurance premiums

Farming is full of uncertainty and risk, especially for those just beginning their careers in agriculture. The **Federal Crop Insurance Corporation (FCIC)**, administered through RMA, can help eligible beginning farmers purchase crop insurance by providing a 10-percentage point increase in their premium subsidy. Hence, if the premium subsidy for a particular crop insurance policy were 65 percent for a non-beginning farmer, it would be 75 percent for a beginning farmer for those first five years.

For those choosing low-cost catastrophic coverage, the normal \$300 administrative fee is waived for their first five years of farming.

Eligible farmers are also able to utilize the production history of a farm they are taking over to obtain a larger yield adjustment during this period, and, where applicable, receive a higher, 80 percent of county average yield plug instead of the usual 65 percent.

Combined, these provisions make securing and paying for federal crop insurance coverage easier and less costly for beginning farmers in the early start up years.

<sup>1</sup> Special Note – This RMA definition of beginning farmer differs from that of all other USDA programs for which beginning farmers are those with 10 or fewer years of farming.



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## Who's Eligible?

Beginning farmers with five or fewer years of operating and managing a farm, not counting years when 18 years of age or younger or years in college or the military. <sup>1</sup>

## Eligible Program Uses?

Reduces the financial burden of crop insurance for beginning farmers and ranchers.

## More Information:

NSAC's beginning farmer information

<http://bit.ly/farmguide18-1>

USDA's beginning farmer insurance information

Basic information  
<http://bit.ly/farmguide18-2>

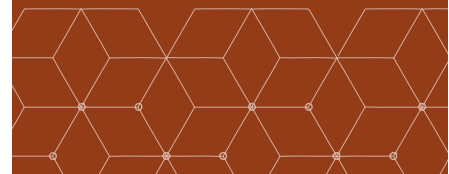
FAQ  
<http://bit.ly/farmguide18-3>

USDA's beginning farmer resource portal

<http://bit.ly/farmguide18-4>

## To Apply:

Contact your local crop insurance agent.  
<http://bit.ly/farmguide18-5>

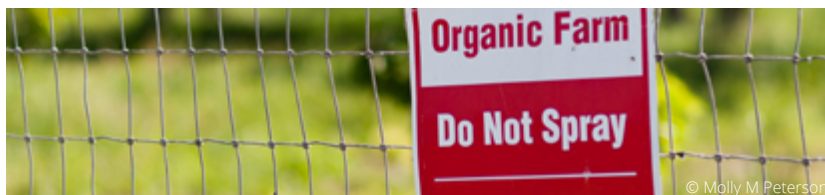


# Risk Management Tools for Organic Farmers

Ensuring appropriate premium and insurance coverage for organic crops

Crop insurance is an indispensable tool for all farmers, but for decades organic and transitioning-to-organic farmers have been unable to insure their crops at the premium prices indicated by market demand for organics. More recently, USDA's Risk Management Agency (RMA) has made several changes to the **Federal Crop Insurance Corporation (FCIC)** designed to provide more appropriate risk management options for organic and transitioning-to-organic farmers:

- Removed an automatic five percent organic premium surcharge.
- Established organic pricing for 73 crops, which allows organic producers to insure those crops at the premium organic price election. Details at: <http://www.rma.usda.gov/news/currentissues/organics/organiccroplist.html>
- Introduced the contract price addendum, which allows both certified organic and farmers transitioning acreage to become certified organic to insure their organic crops at the price specified in their production contract. This policy accommodates several kinds of contracts and is available for 73 crops (details at: [http://www.rma.usda.gov/news/currentissues/organics/cpa\\_eligibility.html](http://www.rma.usda.gov/news/currentissues/organics/cpa_eligibility.html))
- Introduced the Whole Farm Revenue Protection (WFRP) policy, which allows farmers to insure all their farm's crops and animals under one policy and at the price they receive and works well for many organic producers. WFRP is addressed on page 17 in this guide.



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## Who's Eligible?

Certified organic and transitioning-to-organic farmers.

## Eligible Program Uses?

The Federal Crop Insurance Program (FCIC) provides appropriate crop insurance coverage to producers of certified organic crops or transitional crops marketed through contracts, local markets, wholesale markets, or other marketing channels.

## More Information:

NSAC's Grassroots Guide to Organic Crop Insurance

<http://bit.ly/farmguide19-1>

USDA's Organic Crop Insurance information Organic Fact Sheet

<http://bit.ly/farmguide19-2>

Contract Price Addendum Fact Sheet

<http://bit.ly/farmguide19-3>

RMA BFR Fact Sheet

<http://bit.ly/farmguide18-2>

## To Apply:

Contact your local crop insurance agent.

<http://bit.ly/farmguide18-5>

# Cost Share for Environmental Practices

Helping farmers and ranchers manage natural resources and improve environmental benefits

The **Environmental Quality Incentives Program (EQIP)** provides payments and hands-on help for farmers and ranchers who implement practices and activities that conserve and improve natural resources on eligible land.

Resources that can be addressed include soil erosion and soil health, plant vigor and productivity, animal health, wildlife habitat restoration, water and air quality improvements, water conservation, and energy efficiency improvements. Many activities are eligible for support, such as pasture restoration, nutrient and pest management, and cover crop adoption. EQIP can also help defray the cost of equipment or infrastructure like high tunnels, irrigation equipment, fencing, and livestock watering facilities. A small portion of EQIP assistance is also targeted through several initiatives that use specific conservation practices to address priority natural resource concerns.

Five percent of all funds are set aside each year for beginning farmers and ranchers and five percent for socially disadvantaged producers. Ask your NRCS office about other special initiatives for particular regions, resource concerns, or participants.

**Payments:** Payments are made based on installed practices being certified to NRCS standards and specifications, and at the approved payment rate. Beginning, socially disadvantaged, veteran, and limited resource farmers and ranchers may be eligible for higher payment rates (up to 90 percent instead of the normal limit of 75 percent) and advance payments to purchase materials and services (up to 50 percent of the cost).

## Who's Eligible?

Farmers, ranchers, and non-industrial private forestland owners.

## Eligible Program Uses?

Technical and financial assistance to help producers plan and implement conservation practices to improve natural resources on eligible agricultural and forested land.

## More Information:

NSAC's Grassroots Guide to the Environmental Quality Incentives Program

<http://bit.ly/farmguide20-1>

USDA Environmental Quality Incentives Program information

<http://bit.ly/farmguide20-2>

## To Apply:

NRCS accepts EQIP applications on a continuous basis, and reviews and funds applications at multiple posted periods throughout the year. Apply through your local NRCS office:

<http://bit.ly/farmguide20-3>



# Cost Share for Organic Environmental Practices

Helping organic and transitioning to organic farmers and ranchers offset the cost of environmental practices

Protecting natural resources like soil and water is a core part of organic production; for certified organic farmers it is also required in a farmer's Organic System Plan (OSP). Examples of conservation activities well-suited for organic farmers include: developing conservation plans supporting organic transition; establishing buffer zones; developing pollinator habitat; and conservation crop rotation, nutrient management, and integrated pest management.

## The Environmental Quality Incentives Program (EQIP)

**Organic Initiative** assists organic and transitioning to organic farmers with adopting conservation practices and activities on their land through cost share payments and hands-on help. Farmers in the process of transitioning to organic may also receive financial assistance to hire a technical service provider (TSP) to develop a conservation activity plan supporting organic transition.



### Who's Eligible?

Farmers or ranchers who are certified organic, transitioning to organic, or organic and exempt from NOP certification requirements.

### Eligible Program Uses?

To provide technical and financial assistance to help farmers plan and implement practices to improve natural resource conservation, tailored to organic and transitioning to organic production systems and National Organic Program certification requirements.

### More Information:

NSAC's Grassroots Guide to the EQIP Organic Initiative

<http://bit.ly/farmguide20-1>

USDA EQIP Organic Initiative information

<http://bit.ly/farmguide21-2>

### To Apply:

NRCS accepts EQIP applications on a continuous basis, and reviews and funds applications at multiple posted periods throughout the year. Apply through your local NRCS office:

<http://bit.ly/farmguide20-3>



# Cost Share for High Tunnels

## Helping farmers improve plant health through purchase and installation of growing season-extending high tunnels

Unpredictable weather and short growing seasons present major challenges for high-value vegetable and specialty crop farmers. By installing high tunnel systems, farmers can capture sunlight and protect plants from cold temperatures, high winds, and heavy rains. Extending the growing season allows farmers to access valuable markets – growing warm season crops like tomatoes or peppers when it’s cold outside, or producing flowers and greens well beyond when field production would allow.

The **EQIP High Tunnel System Initiative** supports farmers in constructing high tunnels and related conservation practices with technical and financial assistance. Crops must be grown in the natural soil profile, although raised beds (up to 12 inches in depth) may be installed to improve soil condition, fertility, and access.

Payments are made based on installed practices meeting certification to NRCS standards and specifications and at the approved payment rate. Beginning, socially disadvantaged, veteran, and limited resource farmers and ranchers may be eligible for higher payment rates (up to 90 percent of cost compared to the up to 75 percent normal rate) and advance payments to purchase materials and services (up to 50 percent of costs). In recent years, beginning, socially disadvantaged, and limited resource farmers have received over half of the high tunnel EQIP contracts.

**Additional Conservation:** Many farmers holding EQIP high tunnel contracts are also implementing other critical conservation practices through EQIP, such as runoff mitigation, nutrient and pest management, crop rotation, and soil health enhancement.

### Who’s Eligible?

Cropland farmers.

### Eligible Program Uses?

Technical and financial assistance to farmers to install high tunnel systems (hoops covered with plastic over the growing area) for crops grown in the ground.

### More Information:

NSAC’s Grassroots Guide to the EQIP High Tunnel System Initiative

<http://bit.ly/farmguide22-1>

USDA Seasonal High Tunnel Information

<http://bit.ly/farmguide22-2>

### To Apply:

NRCS accepts EQIP applications on a continuous basis and reviews and funds applications at multiple posted periods throughout the year. Apply through your local NRCS office:

<http://bit.ly/farmguide20-3>



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# Payments for Whole Farm Resource Conservation

Rewarding farmers and ranchers for advanced conservation efforts on land in agricultural production

As stewards of our shared air, water, and soil, farmers and ranchers understand the importance of managing their operations to protect and conserve those resources. Conservation activities such as resource-conserving crop rotations, cover crops, rotational grazing, integrated pest management, and buffer strips complement and build upon each other to create more sustainable farming and ranching systems.

The **Conservation Stewardship Program (CSP)** provides funding and technical assistance – in the form of per-acre payments and hands-on support from NRCS staff – directly to farmers and ranchers. This support helps producers actively manage existing conservation efforts and implement additional conservation activities on land in agricultural production.

Five percent of acres enrolled in CSP annually are set aside for beginning farmers and ranchers, and another five percent for socially disadvantaged producers. Within these set-asides, military veterans receive additional preference.

**Enhancements and Bundles:** CSP participants adopt “enhancements,” or conservation activities, as well as “bundles,” or groups of complementary enhancements. Crop rotations and grazing management are examples of high-level enhancements. By bringing together multiple enhancements, bundles offer a higher payment and target specific groups of participants (such as organic or pasture-based).



## Who's Eligible?

Any farmer or rancher who controls private or Tribal agricultural land (cropland, pasture, rangeland, and non-industrial private forestland).

## Eligible Program Uses?

To support ongoing and additional natural resource conservation efforts on a farmer or rancher's entire operation.

## More Information:

NSAC's Grassroots Guide to the Conservation Stewardship Program

<http://bit.ly/farmguide23-1>

NSAC's Farmers' Guide to CSP

<http://bit.ly/farmguide23-2>

USDA Conservation Stewardship Program information

<http://bit.ly/farmguide23-3>

## To Apply:

NRCS offices accept CSP applications on a continuous basis with periodic ranking period cutoff dates announced nationally. Typically only one ranking period per fiscal year will be available. Apply through your local NRCS office:

<http://bit.ly/farmguide20-3>

# Value-Added Processing and Marketing Grants

Helping farmers and ranchers add value to what they grow through processing and marketing

Adding value to farm or ranch products through processing or special marketing activities helps increase your bottom line and capture more of the consumer dollar. Whether it is processing your commodities into products like flour, jam or cheese, marketing your farm products by their identity (e.g. organic or grass-fed), or by developing a local market or participating in a regional food aggregation and distribution system, **Value-Added Producer Grants (VAPG)** can help you successfully realize your big ideas.

VAPG provides grant funding in two ways:

- *Planning Grants* – up to \$75,000 for economic planning to develop business plans, feasibility studies or marketing plans for value-added products; or
- *Working Capital Grants* – up to \$250,000 (there is a simplified application for less than \$50,000 requests) to acquire working capital to create or expand a producer-owned value-added enterprise.

**Eligible Project Categories:** processing (e.g., milled grains, cheese); product differentiation (e.g., organic, grass-fed); commodity segregation (e.g., non-GMO, no-rBGH); on-farm renewable energy generation; local food marketing; and mid-tier value chains, including regional food hubs.

**Requirements:** Match grant funds on a 1:1 basis (in-kind or cash); participants must grow/raise more than ½ of the commodity needed; working capital grants over \$50,000 require an independent feasibility study or business plan.



## Who's Eligible?

Farmers, ranchers, harvesters (such as fishermen), farm groups, or producer-controlled businesses (such as a farmer co-op).

## Eligible Program Uses?

Provides planning grants and working capital grants that help eligible businesses develop or improve processing, marketing, and other value-added efforts.

## More Information:

NSAC's Grassroots Guide to the Value-added Producer Grant Program

<http://bit.ly/farmguide24-1>

NSAC's Farmers' Guide to VAPG

<http://bit.ly/farmguide23-2>

USDA Value-added Producer Grant program information

<http://bit.ly/farmguide24-3>

## To Apply:

Contact your nearest USDA Rural Development Office

<http://bit.ly/farmguide24-4>

# On-Farm Research and Demonstration Grants

Enabling farmer-driven research and demonstration projects that improve farm profitability and land stewardship

Farmers and ranchers have a critical insight when it comes to improving the sustainability of their farming systems. Whether they need to limit off-farm inputs, diversify, improve soil health, learn marketing skills, or find other ways to enhance their livelihoods, farmers can turn to **Sustainable Agriculture Research and Education (SARE)** farmer grants or partnership grants for help.

- *Farmer grants*<sup>1</sup> provide assistance directly to farmers or groups of farmers who want to explore sustainable solutions to problems through on-farm research, demonstration, and education projects.
- *Partnership grants*<sup>2</sup> are made to agricultural professionals (e.g. Extension, sustainable agriculture organizations, conservation districts, etc.) who work directly with small groups of farmers to pursue on-farm research, demonstration, and education activities on sustainable agriculture topics.

Successful proposals explore new paths and innovations for greater sustainability and have good potential for results being useful to other farmers.

**Eligible Expenses:** Grant funds may be used to pay for your time and the time of project partners, materials and supplies, consulting services, outreach expenses, project travel, and other project-related costs.

**Grant Amounts:** Farmer and partnership grant limits vary by region; farmer grants range from \$7,500 to \$25,000 and partnership grants range from \$15,000 to \$50,000.

<sup>1</sup> Called farmer grants in the northeast, producer grants in the south, and farmer-rancher grants in the western and north central regions.

<sup>2</sup> Called on-farm grants in the south and profession & producer grants in the west.

## Who's Eligible?

Any farmer or rancher, or groups of farmers and ranchers.

## Eligible Program Uses?

To help offset the costs of labor and expenses involved in on-farm research and demonstration projects.

## More Information:

NSAC's Grassroots Guide to SARE

<http://bit.ly/farmguide25-1>

USDA's SARE information

<http://bit.ly/farmguide25-2>

## To Apply:

The application process and timing for this competitive grant program varies by region. Find full details for your region, including the most recent calls for proposals, through the links at:

<http://bit.ly/farmguide25-2>





# USDA Agencies

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## **Agricultural Marketing Service (AMS)**

*Market Data, Certification, and Labeling*

AMS facilitates the strategic marketing of agricultural products in domestic and international markets while ensuring fair trading practices and promoting a competitive marketplace. AMS publishes price data, conducts market research, provides audits and accreditation, and helps farmers pay for organic certification.

## **Farm Service Agency (FSA)**

*Farm Loans, Disaster Assistance, and Commodity Programs*

FSA administers credit and loan programs and manages conservation, commodity, disaster and farm marketing programs through a national network of offices. Find your local FSA field office at: <http://offices.sc.egov.usda.gov/locator/app?agency=fsa>

## **Natural Resources Conservation Service (NRCS)**

*Conservation Payments and Technical Assistance*

NRCS provides leadership in a partnership effort to help people conserve, maintain and improve our natural resources and environment through federal conservation programs. Find your local NRCS field office at: <http://offices.sc.egov.usda.gov/locator/app?agency=nrsc>

## **Risk Management Agency (RMA)**

*Crop Insurance Policy Development and Data Collection*

RMA helps to ensure that farmers have the financial tools necessary to manage agricultural risks. RMA works with private crop insurance companies and agents to administer the Federal Crop Insurance Program which protects farmers against losses on their farms.

## **Rural Development (RD)**

*Grants, Loans, and Rural Infrastructure*

RD helps rural areas to develop and grow by offering federal assistance that improves quality of life. RD targets communities in need and then empowers them with financial and technical resources. Find your local RD office at: <http://www.rd.usda.gov/contact-us/state-offices>

# Special Provisions for Beginning and Socially Disadvantaged Producers



Over the past two decades, Congress has set goals and targeted funding to reach beginning and socially disadvantaged farmers and ranchers. These special provisions help target those most in need of assistance, and help begin to reverse the aging of American agriculture and the loss of land ownership among farmers of color.

“Beginning farmers and ranchers” for most but not all federal programs are those that have farmed on their own for 10 or fewer years. “Socially disadvantaged” are those farmers and ranchers who have been historically underserved by USDA due to discrimination based on race or ethnicity, and, in some cases, gender.

This matrix lists federal programs that include special provisions for certain types of farmers and ranchers.

Program	Organic Farmers	Beginning Farmers & Ranchers	Farmers of Color	Women	Military Veterans
Direct and Guaranteed Farm Ownership Loans		x	x	x	
Down Payment Loan Program		x	x	x	
Land Contract Guarantee Program		x	x	x	
Direct and Guaranteed Farm Operating Loans		x	x	x	
Microloans		x	x	x	x
Conservation Reserve Program – Transition Incentives Program (CRP-TIP)	x	x	x		x
National Organic Certification Cost Share Program (NOCCSP)	x				
Noninsured Crop Disaster Assistance Program (NAP)	x	x	x	x	
Conservation Reserve Program – Field Border Buffer Initiative	x				
Environmental Quality Incentives Program (EQIP)	x	x	x		x
EQIP High Tunnel System Initiative		x	x		x
EQIP Organic Initiative	x	x	x		x
Conservation Stewardship Program (CSP)		x	x		x
Crop Insurance	x	x			
Value-Added Producer Grants (VAPG)	x	x	x	x	



Learn More Online:  
<http://bit.ly/farmguideonline>



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