

# **AG ISSUES UPDATE**

**Edited by Sara Hricko**

**October 2021**

## **USApple Updates**

### **Biden Administration Officials Discuss Apple Exports With USApple Directors**

At the USApple Board of Directors' monthly online meeting, the topic was languishing apple exports. The directors advocated aggressive action to Biden Administration officials Doug McKalip, Senior Advisor to Secretary of Agriculture Tom Vilsack and Daniel Whitley, Administrator of the USDA Foreign Agricultural Service (FAS).

McKalip was previously senior policy advisor for rural affairs in the White House and spoke at USApple's 2015 Leadership Lunch. FAS links U.S. agriculture to the world through its a global network of nearly 100 offices covering 180 countries.

### **Ag Delivers Another Urgent Plea to President Biden**

USApple and more than other 70 agriculture associations delivered another urgent plea for intervention to President Biden, USDA Secretary Vilsack, Secretary of Transportation Buttigieg, FMC Chair Maffei, the Chair of White House Council of Economic Advisors, and the US Attorney General.

Now, more than ever, steps must be taken to relieve the crisis facing American exporters.

## **Farm Bureau updates**

### **USDA Extends Disaster Set-Aside for Direct Loans Until 2022**

The USDA has extended the availability of COVID-19 Disaster Set-Aside (DSA) for installments due through Jan. 31, 2022. In addition, FSA will permit a second DSA for COVID-19 and a second DSA for natural disasters for those who had an initial COVID-19 DSA. Requests for a COVID-19 DSA or a second DSA must be received no later than May 1, 2022.

Last year, FSA broadened the use of the DSA. Normally used in the wake of natural disasters, the DSA can now allow farmers with USDA farm loans who are affected by COVID-19 and determined to be eligible to have their next payment set aside. The set-aside payment's due date is moved to the final maturity date of the loan or extended up to 12 months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid.

The USDA also announced a higher loan limit will be available for borrowers seeking guaranteed farm loans. The limit increased from \$1.776 million to \$1.825 million.

Farm loans offer access to funding for a wide range of producer needs, including annual operating and family living expenses, emergency needs, securing land, and financing the purchase of equipment. Guaranteed loans, which can be used for both farm ownership and operating purposes, are financed and serviced by commercial lenders. FSA provides up to a 95% guarantee against possible financial loss of principal and interest.

Producers can explore available options on all FSA loan options at [fsa.usda.gov](https://fsa.usda.gov) or by contacting their local USDA Service Center. Additionally, more information related to USDA's response and relief for producers can be found at [farmers.gov/coronavirus](https://farmers.gov/coronavirus).

## **USDA Announces \$700 Million in Grant Funding for Farm and Food Workers Affected By COVID-19**

USDA announced that \$700 million in competitive grant funding will be available through the new Farm and Food Workers Relief (FFWR) grant program to help farm workers and meatpacking workers with pandemic-related health and safety costs. The new program is funded by the Consolidated Appropriations Act of 2021.

The program will help farm workers, meatpackers, and front-line grocery workers defray the cost of expenses incurred due to the COVID-19 pandemic, including costs for personal protective equipment (PPE), dependent care, expenses related to quarantines and testing and other necessary living expenses. The Request for Application (RFA) will be announced in early fall and will be open for a period of 60 days. Additional information and technical assistance for applying to these grants and program updates will be provided by USDA when the application period opens.

Funds will be awarded through grants to state agencies and non-profit organizations serving farm workers and meatpacking workers. USDA is setting aside \$20 million for at least one pilot to provide targeted support to front-line grocery workers.

USDA also said the agency will soon announce a separate \$700 million suite of pandemic safety and response grants for producers, processors, farmers' markets, distributors, and seafood processors and vessels impacted by COVID-19.

The Agricultural Marketing Service (AMS) will offer technical assistance through one or more partners and webinars for applicants to help them understand the RFA, once it is published. Additionally, grants management specialists will be available to answer any incoming questions and emails after the details are announced. For more information about upcoming webinars, grant eligibility, and program requirements, visit the FFWR webpage at [www.ams.usda.gov/services/grants/ffwr](https://www.ams.usda.gov/services/grants/ffwr) or contact them at [ffwr@usda.gov](mailto:ffwr@usda.gov).

## **USDA Announces \$700 Million In Relief to Small Producers and Processors, Farmers' Markets Impacted by COVID-19**

The USDA announced another \$700 million in new grant programs to help small producers who have not yet received federal assistance in response to the COVID-19 pandemic. The new program – the Pandemic Response and Safety (PRS) Grant will provide assistance to small businesses in certain commodity areas, including small scale specialty crop producers and processors, shellfish, aquaculture and other select producers, meat and other processors, distributors, and farmers' markets.

For the PRS grants, eligibility details can be found in the Pandemic Response and Safety Grant Program forecast, located here: [USDA-AMS-TM-PRS-G-21-0011](https://www.usda-prs.grantsolutions.gov). Eligible entities should visit the PRS grant portal at [usda-prs.grantsolutions.gov](https://usda-prs.grantsolutions.gov) for complete information on the program, including how to obtain a free-of-charge DUNS Number from Dun & Bradstreet (D&B) *before* applying for this program.

Updated information regarding the PRS programs will be available on the Agricultural Marketing Service website: [www.ams.usda.gov](https://www.ams.usda.gov).

## **State Senate Passes Bills to Ease Transportation Restrictions on Farmers**

The state Senate has passed two bills supported by Pennsylvania Farm Bureau that would broaden farmers' use of farm-registered vehicles and driver's licenses.

Senate Bill 725 clarifies the types of licenses that farmers are required to have when operating trucks or truck combinations with a gross vehicle weight more than 26,000 pounds, and SB 736 will allow farmers to use farm-registered vehicles for the home delivery of products they produce on their farms. Senators passed both bills unanimously, 49-0.

SB 725, introduced by Sen. Camera Bartolotta, clarifies Act 170, which the General Assembly unanimously passed in 2014. That legislation says that farmers do not need a commercial driver's license (CDL) to operate a farm vehicle, or combination, with a GVW of 26,000 pounds or greater. Recent action by State Police has left confusion as to whether farmers need a Class A license instead of the more-common Class C license. SB 725 clarifies that farmers are permitted to operate vehicles with a GVW over 26,000 pounds with a Class C driver's license.

SB 736, introduced by Sen. Wayne Langerholc, streamlines the home delivery of milk and other agricultural products with a farm-registered vehicle. Currently, the state's vehicle code stipulates farmers can use farm-registered vehicles only for the transportation of products to and from a place of business. Farmers would need to obtain a commercial vehicle registration for home deliveries, and the vehicle code prevents commercial vehicles from being registered as farm vehicles. SB 736 will ensure that farmers are able to use farm-registered vehicles to deliver products to both businesses and private homes.

SB 725 has also passed out of the House transportation committee unanimously. Both bills await further House consideration.

## **Japanese Barberry Added to Noxious Weed List**

The Department of Agriculture Controlled Plant and Noxious Weed Committee has added three species to the Noxious Weed List as Class B noxious weeds.

The committee added Japanese barberry, Japanese stiltgrass and garlic mustard to the Noxious Weed List, which became effective in October.

Japanese barberry is the most notable addition, as it's a popular nursery and landscaping plant. Both sterile and nonsterile varieties will be banned until the Department of Agriculture develops a process for merchants to apply for permission to sell sterile varieties.

Noxious weeds, which are identified as plants determined to be injurious to public health, crops, livestock, agricultural land or other property, cannot be sold, transported, planted or otherwise propagated in Pennsylvania.

## **DEP Announces New Energy Efficiency Rebate Program for Farmers**

The Pennsylvania Department of Environmental Protection has a new rebate program for farmers to help with the cost of energy efficiency projects. The Agriculture Energy Efficiency Rebate Program is offering rebates to defray the costs of installing LED lighting or variable frequency drives on the farm, which can save energy while saving money on utility bills.

Applications will be accepted from Sept. 20, 2021 through March 31, 2022 on a first-come, first-served basis as long as funding is available. The available rebates will pay for 50% of the equipment costs, up to \$2,000. Total funding to any one applicant will not exceed \$5,000.

DEP has up to \$10,000 available for this program through State Energy Program funding from the U.S. Department of Energy.

For complete program guidelines and application instructions, visit the DEP agriculture and farming energy webpage.

## **Ag Law updates**

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### **Biotechnology: APHIS Announces Deregulation of Arctic Gala Apple**

On September 22, 2021, the U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) announced that it will no longer regulate the PG451 Arctic Gala, an apple variety genetically engineered by Okanagan Specialty Fruits, Inc. (OSF) to avoid browning. APHIS states that after reviewing public comments from its PG451 Arctic Gala Plant Pest Risk Similarity Assessment (PPRSA), preliminary Determination, and OSF's deregulation request, the agency has determined that the PG451 Arctic Gala apple is unlikely to present a plant pest risk. Previously, APHIS deregulated the same anti-browning trait in OSF's GD743 Arctic Golden apple and GS784 Arctic Granny apple. The agency now extends deregulation to OSF's PG451 Arctic Gala. For background, see *ALWR—Week Ending July 2, 2021, "APHIS Publishes Environmental Assessments for Deregulation of Genetically Engineered Apple Variety."*

### **Crop Insurance: USDA Announces New 'Micro Farm' Whole-Farm Revenue Protection for Small, Local Producers, Includes Value-Added Sales Revenues**

On October 6, 2021, the U.S. Department of Agriculture's (USDA) Risk Management Agency (RMA) announced a forthcoming Whole-Farm Revenue Protection option for small-farm producers who sell locally. Derived from USDA's research on small-farm producers, which found that 85% of locally-selling producers earned less than \$75,000 in gross revenues, RMA's new "Micro Farm" policy will be available to producers with operations averaging revenues of \$100,000 or \$125,000 or less for carryover insureds from other RMA programs. The new policy will not require producers to report expenses or individual commodities and will allow revenues from post-production, including revenues from washing and packaging commodities and sales of value-added products. The Micro Farm policy will be available to qualifying producers for the 2022 crop year.