

December 2020



Farm Service Agency **Electronic News Service**

# NEWSLETTER

**GovDelivery**

- [Merry Christmas from the State Executive Director](#)
- [Getting Started with FSA](#)
- [Policy Updates for Acreage Reporting](#)
- [Applying for FSA Direct Loans](#)
- [Applying for FSA Guaranteed Loans](#)
- [USDA Announces Implementation of Improvements to Prevented Planting Coverage and the Beginning and Veteran Farmer and Rancher Program](#)
- [2019 Crop Year ARC and PLC Payments](#)
- [Farm Storage Facility Loan Program](#)
- [Marketing Assistance Available for 2020 Crops](#)
- [USDA to Open Signup for the Conservation Reserve Program and CRP Grasslands in Early 2021](#)
- [NRCS Announces Program Deadlines for 2021](#)
- [Maintaining the Quality of Farm-Stored Loan Grain](#)
- [Unauthorized Disposition of Grain](#)
- [Register for VIRTUAL 2021 Conservation Cropping Seminars](#)
- [December Interest Rates and Important Dates](#)

## Illinois FSA Newsletter

### Illinois Farm Service Agency

3500 Wabash Ave.  
Springfield, Illinois 62711

Phone: 217-241-6600 ext. 2  
Fax: 855-800-1760

[www.fsa.usda.gov/il](http://www.fsa.usda.gov/il)

**State Executive Director:**  
William J. Graff

**State Committee:**  
James Reed-Chairperson  
Melanie DeSutter-Member  
Kirk Liefer-Member

### Merry Christmas from the State Executive Director

As we close out the 2020 year, I think we can all agree that it has been challenging at best. In closing out this year, I want to take a minute to thank the hard work and dedication of the Illinois FSA employees and the patience and understanding of our Illinois Producers.

Christmas is right around the corner, and I want to wish each and every one of you a Merry Christmas. Years like this is exactly what Christmas is for.

May 2021 be a better year for you and yours, and wish you all good health and wellness!

William Graff

George Obernagel III-Member  
Troy Uphoff-Member

**Administrative Officer:**

Dan Puccetti

**Division Chiefs:**

Vicki Donaldson

John Gehrke

Wendy Mueller

Randy Tillman

To find contact information for your local office go to

[www.fsa.usda.gov/il](http://www.fsa.usda.gov/il)

**Check out**

<https://www.farmers.gov/> for information about ALL the programs available through your local USDA Service Center FSA and NRCS offices, including county office locations, agriculture statistics, loan interest rates and much more!

Learn about Risk Management Agency's crop insurance programs at <https://cropinsurance101.org/>

---

## Getting Started with FSA

First you want to make sure your farm is registered. If you purchased land, it may already be established with USDA's Farm Service Agency (FSA) with a farm number on file. If not FSA can help you register your farm.

To obtain a farm number, you will bring in an official Tax ID (Social Security number or Employer ID) and a property deed.

If you do not own the land, bring a lease agreement to show you have control of the property to your FSA representative.

If your operation is incorporated or an entity, you may also need to provide proof that you have signature authority and the legal ability to enter contracts with USDA.

---

## Policy Updates for Acreage Reporting

The USDA Farm Service Agency (FSA) reminds Illinois agricultural producers to complete [crop acreage reports](#) by the December 15, 2020, deadline for fall-seeded small grains. In order to maintain program eligibility and benefits, you must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

Recently, the USDA Farm Service Agency (FSA) made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of "idle" and "fallow."

**Reporting Cover Crops:**

Cover crop types can be chosen from the following four categories:

- **Cereals and other grasses**
- **Legumes**
- **Brassicacae and other broadleaves**
- **Mixtures**

If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

#### **Permitted Revision of Intended use After Acreage Reporting Date:**

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee's satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

#### **Reporting Grazing Allotments:**

FSA offices can now accept acreage reports for grazing allotments. You will use form "FSA-578" to report grazing allotments as animal unit months (AUMs) using the "Reporting Unit" field. Your local FSA office will need the grazing period start and end date and the percent of public land.

#### **Definitions of Terms**

FSA defines "idle" as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row.

Fallow is considered unplanted cropland acres which are part of a crop/fallow rotation where cultivated land that is normally planted is purposely kept out of production during a regular growing season.

For more information, contact your local County USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov)

---

## **Applying for FSA Direct Loans**

FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain, or strengthen their farm or ranch. Direct loans are processed, approved and serviced by FSA loan officers.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance, and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

---

## Applying for FSA Guaranteed Loans

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,776,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

For more information on guaranteed loans, contact your local County USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov).

---

## USDA Announces Implementation of Improvements to Prevented Planting Coverage and the Beginning and Veteran Farmer and Rancher Program

The U.S. Department of Agriculture's (USDA) Risk Management Agency (RMA) announced that improvements to prevented planting coverage and to the beginning and veteran farmer and rancher program took effect on November 30 for crop year 2021. These improvements, among others, were made to the Common Crop Insurance Policy Basic Provisions.

These improvements are the result of feedback from producer groups and other stakeholders. These changes will improve prevented planting coverage and the beginning and veteran farmer and rancher program for years to come.

Improvements to prevented planting coverage include:

- Expanding the "1 in 4" requirement nationwide, requiring producers to plant, insure and harvest acreage in at least one of the four most recent crop years.
- Making modifications to ensure that producers' prevented planting payments adequately reflect the crops the producer intended to plant.
- For more information, see the [previous announcement](#).

The improvement to the beginning and veteran farmer and rancher program will allow participants with farming experience to use the Actual Production History (APH) of the previous producer, with permission, on newly acquired land. Previously, the APH could only be used if the beginning or veteran farmer or rancher was involved on the specific acreage acquired.

RMA is authorizing additional flexibilities due to coronavirus while continuing to support producers, working through Approved Insurance Providers (AIPs) to deliver services, including processing policies, claims and agreements. RMA staff are working with AIPs and other customers by phone, mail and electronically to continue supporting crop insurance coverage for producers. Farmers with crop insurance questions or needs should continue to contact their insurance agents about conducting business remotely (by telephone or email). More information can be found at [farmers.gov/coronavirus](https://farmers.gov/coronavirus).

Crop insurance is sold and delivered solely through private insurance agents. A list of insurance agents is available online using the RMA [Agent Locator](#). Learn more about crop insurance and the modern farm safety net at [rma.usda.gov](http://rma.usda.gov).

---

## 2019 Crop Year ARC and PLC Payments

FSA began processing payments in October for 2019 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the \$6 billion now in process, FSA anticipates it will issue additional payments by the end of December for 2019 commodities covered under ARC-Individual (ARC-IC).

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the [ARC and PLC webpage](#) for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, flaxseed, grain sorghum, lentils, long and medium grain rice, peanuts, rapeseed, safflower, seed cotton, sunflower seed, and wheat.

Crambe, mustard seed, oats, sesame seed, and soybeans did not meet 2019 PLC payment triggers.

### Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- [Gardner-farmdoc Payment Calculator](#), the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.
- [ARC and PLC Decision Tool](#), the Texas A&M tool allows producers to analyze payment yield updates and expected payments for 2021. Producers who have used the tool in the past should see their username and much of their farm data already available in the system.

### More Information

For more information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the [ARC and PLC webpage](#).

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit [farmers.gov/service-locator](http://farmers.gov/service-locator).

---

## Farm Storage Facility Loan Program

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities.

Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$50,000 can be secured by a promissory note/security agreement and loans between \$50,000 and \$100,000 may require additional security. Loans exceeding \$100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit [www.fsa.usda.gov/pricesupport](http://www.fsa.usda.gov/pricesupport) or contact your local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

---

## Marketing Assistance Available for 2020 Crops

The 2018 Farm Bill extends loan authority through 2023 for Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

MALs provide financing and marketing assistance for commodities such as wheat, feed grains, soybeans and other oilseeds, pulse crops, rice, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows.

A producer who is eligible to obtain a MAL, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

To be eligible for a MAL, producers must have a beneficial interest in the commodity, in addition to other requirements. A producer retains beneficial interest when control of and title to the commodity is maintained.

---

## USDA to Open Signup for the Conservation Reserve Program and CRP Grasslands in Early 2021

USDA today announced the 2021 signup periods for general Conservation Reserve Program (CRP) and CRP Grasslands offers. General signup for CRP will be open from January 4, 2021 to February 12, 2021; signup for CRP Grasslands runs from March 15, 2021 to April 23, 2021. Both programs are competitive and provide annual rental payments for land devoted to conservation purposes.

CRP and the many focused programs that come under it, like CRP Grasslands, are some of the most critical tools to help producers better manage their operations while conserving natural resources. CRP has proven to protect the Nation's valuable resources. Next year's signup gives farmers and ranchers an opportunity to enroll in CRP for the first time or continue their participation for another term.

Producers may apply by contacting their local county FSA office.

---

## NRCS Announces Program Deadlines for 2021

Illinois Natural Resources Conservation Service (NRCS) recently announced several programs, including statewide and specific regions, with early January application deadlines. Illinois NRCS set Jan. 8 as the application deadline for the **Environmental Quality Incentives Program (EQIP)**. EQIP provides financial and technical assistance for agricultural and forested lands.

EQIP activities include installing structures for gully erosion, improving pasture with inter-seeding and enhancing soil health with cover crops. EQIP funds may also cover development of such plans as a comprehensive nutrient management plan, grazing plan and drainage water management plan.

Interested farmers should submit a signed application (NRCS-CPA-1200 form) to the local NRCS field office or via {Farmers.gov} using their account. A blank NRCS-CPA-1200 application form is available from a local NRCS office or the Illinois NRCS website {www.il.nrcs.usda.gov}. Farmers may sign into their {Farmers.gov} account or create one by clicking on "Sign up" in the upper right corner of the website.

Applications submitted by Jan. 8 will be evaluated by local NRCS staff who will work with an applicant to assess land and resource concerns, answer ranking questions and determine program eligibility. Applications ranked high enough for funding will be developed into a contract by NRCS staff and the farmer applicant.

In east-central Illinois, NRCS and **Illinois Headwaters Conservation Partnership** will offer funding to control invasive plants in forest stands through a Regional Conservation Partnership Program (RCPP). The 11 participating counties include Champaign, Coles, Cumberland, DeWitt, Douglas, Edgar, Ford, Iroquois, Livingston, Piatt and Vermilion.

NRCS partnered with the Champaign County Soil and Water Conservation District and the Headwaters Invasive Plant Partnership. Landowners may apply for EQIP financial assistance to implement forest stand improvement, brush management, herbaceous weed control and tree/shrub establishment practices.

In **Illinois' Driftless Area**, farmers in six northwestern counties may apply to NRCS for funding to help improve fish and wildlife habitat on cropland, forests, streams and prairies through an RCPP. NRCS partnered with Trout Unlimited to address resource concerns.

Eligible landowners in portions of Boone, Carroll, Jo Daviess, Ogle, Stephenson and Winnebago counties may apply through EQIP to implement practices that include stream and shoreline protection, cover crops and grassed waterways. The project focus is to reduce soil erosion, improve water quality and improve wildlife habitat. NRCS will offer funding in portions of Macoupin, Morgan and Sangamon counties for the **Otter Lake Source Water Protection project** through an RCPP. NRCS partnered with Illinois Corn Growers Association to address degraded water quality and soil erosion. Farmers whose land is in the Otter Lake Watershed may apply for EQIP assistance to implement such practices as denitrifying bioreactors, saturated buffers, cover crops, nutrient management and no-till.

As part of the **Mississippi River Basin Initiative (MRBI) and the National Water Quality Initiative (NWQI)**, land in targeted watersheds may be eligible for special funding. The following is a list of Initiatives including the counties and watersheds where funding is available for 2021:

**MRBI**

**Upper Macoupin Creek** – Portions of Macoupin County

**Vermilion Headwaters** – Portions of Ford, Iroquois, Livingston, and McLean Counties

**NWQI**

**Lake Bloomington – Money Creek Watershed** – Portions of McLean County

**Blue Mound – Money Creek Watershed** – Portions of McLean County

**Lake Springfield – Panther Creek Watershed** – Portions of Sangamon County

To ensure consideration for all EQIP 2021 funding, eligible farmers should submit a signed application (NRCS-CPA-1200 form) to the local NRCS field office or {Farmers.gov} by Jan. 8. Blank forms are available from the local NRCS office or the Illinois NRCS website. To check eligibility for any of the RCPP programs, contact your local NRCS office or visit the Illinois NRCS website.

## Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

## Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

## Register for VIRTUAL 2021 Conservation Cropping Seminars

Don't miss information about ways farmers like yourself can improve soil health, learn about cover crops, remain profitable—and even more marketable—by using sustainable techniques that build up natural resilience to weather extremes, pests, and weeds. Learn from educators, researchers, experts, and local Illinois farmers! There will be Question & Answer sessions as well. In keeping with state mandates and safety precautions, we will offer helpful information, new research and data, farmer testimonials, and more in three 2-hour online virtual conference sessions. Dates & times:

**Wed. Jan. 20 @ 9-11am**

**Thurs. Jan. 28 @ 9-11am**

**Thurs. Feb. 4 @ 9-11am**

While it's not our normal full-day, in-person get-together at three different Illinois locations, the planning committee has gathered some GREAT speakers and presentations that are well worth your time.



We can't feed you lunch virtually, so for 2021, your participation at the event is FREE—and lunch is “on your own”!

Scheduled speakers currently include:

- **Ray Archuleta**, Certified Professional Soil Scientist with the Soil Science Society of America
  - **Dr. Joel Gruver**, Western IL University, Associate Professor of Soil Science and Sustainable Ag
  - **Dr. Nic Jelinski**, Asst. Professor at University of MN's Department of Soil, Water, and Climate
  - **Illinois S.T.A.R.** program coordinators & testimonials from farmer participants
  - **Dr. Stacy Zuber**, IL NRCS Soil Health Specialist
- The Peterson Farm Brothers**

Don't miss the 2021 event! Register online at the Champaign County SWCD website at [www.ccswcd.com](http://www.ccswcd.com), to reserve a spot today! Certified Crop Advisor (CCA) CCU's will be applied for these three seminars—stay tuned for more information. The Conservation Cropping Seminars, held for the last seven years, are organized and made possible with the involvement and support of Illinois Department of Agriculture, USDA's Natural Resources Conservation Service, American Farmland Trust, the Illinois Stewardship Alliance, Illinois Environmental Protection Agency, University of Illinois Extension, and local Soil and Water Conservation Districts.

---

## December Interest Rates and Important Dates

Selected Interest Rates for December 2020	
Farm Operating Loans — Direct	1.250%
Farm Ownership-Direct	2.375%
Farm Ownership Loans — Direct, Joint Financing	2.500%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	2.250%
Farm Storage Facility Loans (3 years)	.2500%
Farm Storage Facility Loans (5 years)	.3750%
Farm Storage Facility Loans (7 years)	.6250%
Farm Storage Facility Loans (10 years)	.8750%
Farm Storage Facility Loans (12 years)	1.000%
Commodity Loans	1.125%

Dates to Remember	
December 15	Fall Acreage Reporting
December 25	Christmas Day Holiday – FSA Offices Closed
January 1, 2021	News Year Day Holiday – FSA Offices Closed
January 4, 2021	General CRP Enrollment Begins
February 12	General CRP Enrollment Ends
March 15	Last day to change ARC/PLC Election and/or Enroll farms for 2021
Continuous	Sign-up for FSA text messages from your local county office
Continuous	Update Your Farm Records
Continuous	WHIP + Signup
Ongoing	Farm Storage Facility Loans sign-up
Ongoing	Marketing Assistance Loans Sign Up
Ongoing	Sign-up for Continuous CRP

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).