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Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## Kentucky FSA Newsletter

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**Kentucky Farm Service Agency**

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Brenda Paul, Chair  
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### Letter from the SED

Greetings!

We know farmers are resilient and the Farm Service Agency in Kentucky will continue to deliver the disaster assistance, safety net, farm loan and conservation programs that keep American agriculture in business today and long into the future.

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act. This legislation includes \$48.9 billion for USDA agencies and the Food and Drug Administration to continue to respond to the coronavirus pandemic.

The CARES Act contains \$9.5 billion in assistance for agriculture producers who have been impacted by COVID-19 along with a \$14 billion replenishment to the Commodity Credit Corporation. In addition, the legislation includes \$100 million in ReConnect grants

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To find contact information for your local office go to [www.fsa.usda.gov/ky](http://www.fsa.usda.gov/ky)

to expand access to broadband in rural America for educational purposes, business, and access to critical telehealth services.

We are swiftly evaluating the authorities granted under the CARES Act and will leverage our programs to alleviate disruption as necessary. For the latest updates on the CARES Act, and other Frequently Asked Questions, visit [usda.gov/coronavirus](http://usda.gov/coronavirus).

USDA is actively monitoring all agriculture commodity markets during the COVID-19 National Emergency. The U.S. food supply chain remains safe and secure and we are committed to ensuring America's farmers, ranchers, and producers get through this pandemic.

Our USDA Service Centers in Kentucky will continue to be open for business by phone appointment only and field work will continue with appropriate social distancing. While our program delivery staff will continue to come into the office, they will be working with our producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the Farm Service Agency are required to call their Service Center to schedule a phone appointment.

I also encourage you to visit [farmers.gov/coronavirus](http://farmers.gov/coronavirus) to keep up-to-date on temporary program flexibilities available as a result of the COVID-19 pandemic.

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## USDA's Conservation Reserve Program Grasslands Signup

Farmers and ranchers may apply to enroll grasslands in the Conservation Reserve Program (CRP) Grasslands signup. The signup runs through May 15.

Through CRP Grasslands, participants retain the right to conduct common grazing practices, such as haying, mowing or harvesting seed from the enrolled land. Timing of some activities may be restricted by the primary nesting season of birds.

Participants will receive an annual rental payment and may receive up to 50 percent cost-share for establishing approved conservation practices. The duration of the CRP contract is either 10 or 15 years. FSA will rank applications using a number of factors including existence of expiring CRP land, threat of conversion or development, existing grassland, and predominance of native species cover, and cost.

The 2018 Farm Bill set aside 2 million acres for CRP Grassland enrollment. CRP is one of the largest conservation programs at

USDA. CRP marks its 35-year anniversary in 2020 with 22 million acres currently enrolled.

For more information or to enroll in CRP Grasslands, contact your local FSA county office or visit [fsa.usda.gov/crp](https://fsa.usda.gov/crp). To locate your local FSA office, visit [farmers.gov/service-locator](https://farmers.gov/service-locator).

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## USDA Opened Signup for Added Causes of Loss Under WHIP+ and Announced Disaster Assistance for Sugar Beet Producers

USDA announced additional disaster assistance available to agricultural producers, including producers impacted by drought and excess moisture as well as sugar beet growers. Through WHIP+, USDA is helping producers recover from losses related to 2018 and 2019 natural disasters.

USDA's Farm Service Agency (FSA) opened signup on March 23 for producers to apply for eligible losses of drought (D3 or above) and excess moisture. USDA is also entering into agreements with six sugar beet processing cooperatives to distribute \$285 million to grower members of those cooperatives who experienced loss.

In June 2019, more than \$3 billion was made available through a disaster relief package passed by Congress and signed by President Trump. In December 2019, Congress passed, and President Trump signed the Further Consolidated Appropriations Act of 2020 that provides an additional \$1.5 billion for the continuation of disaster assistance program delivery.

### WHIP+ New Qualifying Disaster Events

The bill added excessive moisture and D3 and D4 drought as qualifying losses for WHIP+ assistance.

Producers who suffered either of these types of loss in 2018 and/or 2019 can apply for WHIP+ assistance at their local FSA office. For drought, a producer is eligible if any area of the county in which the loss occurred was rated D3 (Extreme Drought) or higher on the U.S. Drought Monitor during calendar years 2018 or 2019.

### WHIP+ Sugar Beet Loss Assistance

As also directed in the bill, USDA will provide \$285 million through sugar beet processing cooperatives to compensate grower members for sugar beet crop losses in 2018 and 2019. Details will be finalized in agreements between USDA and participating sugar beet processing cooperatives. Sugar beet producers who are members of these cooperatives and experienced losses may contact their cooperative for more information about how this sugar beet crop assistance will be administered.

### WHIP+ for Quality Loss

In addition, producers have reported widespread crop quality loss from eligible disaster events that results in price deductions or penalties when marketing the damaged crops. The Appropriations bill

expands WHIP+ to include assistance for crop quality loss. FSA is gathering data and input from producers and stakeholders regarding the extent and types of quality loss nationwide.

### **Eligibility**

To be eligible for WHIP+, producers must have suffered losses of certain crops, trees, bushes, or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only) for the following named natural disaster events; hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, wildfires, and now excessive moisture that occurred in 2018 or 2019. Also, losses located in a county not designated by the Secretary as a primary county may be eligible if the producer provides documentation showing that the loss was due to a qualifying natural disaster event.

For drought, counties having a D3 or D4 Drought Monitor classification in any portion of the county anytime during calendar year 2018 or 2019 will also be eligible.

A list of counties that received qualifying hurricane declarations and designations is available at [farmers.gov/recover/whip-plus](https://farmers.gov/recover/whip-plus). The U.S. Drought Monitor is available at <https://droughtmonitor.unl.edu/>.

Because livestock losses are covered by other disaster recovery programs offered through FSA, these losses are not eligible for WHIP+.

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## **Agriculture Risk Coverage and Price Loss Coverage Enrollment for 2020**

USDA's Farm Service Agency (FSA) encourages agricultural producers to enroll now in the Agriculture Risk Loss (ARC) and Price Loss Coverage (PLC) programs. The deadline to enroll for the 2020 crop year is June 30, 2020. By enrolling soon, producers can beat the rush as the deadline nears.

FSA offices have multiple programs competing for the time and attention of our staff. Because of the importance and complexities of the ARC and PLC programs; and to ensure FSA meets your program delivery expectations, please do not wait to start the enrollment process. Contact your FSA county office and make an appointment soon to ensure your elections are made and contracts signed well ahead of the deadline.

ARC and PLC provide financial protections to farmers from substantial drops in crop prices or revenues and are vital economic safety nets for most American farms.

The programs cover the following commodities: barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Farm owners have a one-time opportunity to update PLC payment yields that take effect beginning with crop year 2020. If the owner accompanies the producer to the office, the yield update and enrollments may be completed during the same office visit.

### **More Information**

For more information on ARC and PLC, download our [program fact sheet](#) or our [2014-2018 farm bills comparison fact sheet](#). Online ARC and PLC election decision tools are available at [fsa.usda.gov/arc/plc](http://fsa.usda.gov/arc/plc). To enroll, contact your [FSA county office](#) for an appointment.

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## FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) [Direct Farm Ownership loans](#) are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a [Direct Farm Ownership Microloan](#) option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a Joint Financing loan is \$600,000 and the repayment period for the loan is up to 40 years.

To be eligible, the operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about FSA Loan programs, contact your local FSA office or visit [fsa.usda.gov](http://fsa.usda.gov). To find your local FSA office, visit [offices.usda.gov](http://offices.usda.gov).

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## 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. FSA loan officers process, approve and service direct loans.

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.

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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).