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USDA Updates Pandemic Assistance for Livestock, Poultry Contract Producers and Specialty Crop Growers

USDA Sets October 12 Deadline for CFAP 2

The U.S. Department of Agriculture (USDA) is updating the Coronavirus Food Assistance Program 2 (CFAP 2) for contract producers of eligible livestock and poultry and producers of specialty crops and other sales-based commodities. CFAP 2, which assists producers who faced market disruptions in 2020 due to COVID-19, is part of USDA's broader Pandemic Assistance for Producers initiative. Additionally, USDA's Farm Service Agency (FSA) has set an Oct. 12 deadline for all eligible producers to apply for or modify applications for CFAP 2.



Assistance for Contract Producers

The Consolidated Appropriations Act, 2021, provides up to \$1 billion for payments to contract producers of eligible livestock and poultry for revenue losses from Jan. 1, 2020,

through Dec. 27, 2020. Contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail may be eligible for assistance. This update includes eligible breeding stock and eggs of all eligible poultry types produced under contract.

Payments for contract producers were to be based on a comparison of eligible revenue for the periods of Jan. 1, 2019, through Dec. 27, 2019, and Jan. 1, 2020, through Dec. 27, 2020. Today's changes mean contract producers can now elect to use eligible revenue from the period of Jan. 1, 2018, through Dec. 27, 2018, instead of that date range in 2019 if it is more representative. This change is intended to provide flexibility and make the program more equitable for contract producers who had reduced revenue in 2019 compared to a normal production year. The difference in revenue is then multiplied by 80% to determine a final payment. Payments to contract producers may be factored if total calculated payments exceed the available funding and will be made after the application period closes.

Additional flexibilities have been added to account for increases to operation size in 2020 and situations where a contract producer did not have a full period of revenue from Jan. 1 to Dec. 27 for either 2018 or 2019. Assistance is also available to new contract producers who began their farming operation in 2020.

Updates for Sales-Based Commodities

USDA is amending the CFAP 2 payment calculation for sales-based commodities, which are primarily comprised of specialty crops, to allow producers to substitute 2018 sales for 2019 sales. Previously, payments for producers of sales-based commodities were based only on 2019 sales, with 2019 used as an approximation of the amount the producer would have expected to market in 2020. Giving producers the option to substitute 2018 sales for this approximation, including 2018 crop insurance indemnities and 2018 crop year Noninsured Disaster Assistance Program (NAP) and Wildfire and Hurricane Indemnity Program Plus (WHIP+) payments, provides additional flexibility to producers of sales-based commodities who had reduced sales in 2019.

Grass seed has also been added as an eligible sales commodity for CFAP 2. A complete list of all eligible sales-based commodities can be found at farmers.gov/cfap2/commodities. Producers of sales-based commodities can modify existing applications.

Applying for Assistance

Newly eligible producers who need to submit a CFAP 2 application or producers who need to modify an existing one can do so by contacting their local FSA office. Producers can find their local FSA office by visiting farmers.gov/service-locator. Producers can also obtain one-on-one support with applications by calling 877-508-8364. All new and modified CFAP 2 applications are due by the Oct. 12 deadline.

Streamlining How You Find Information on Farmers.gov

If you've been to farmers.gov before, things may look a little different from the last time you were here. We've made some changes, to improve how you find information so that you can find what you need even more easily and efficiently.

The big, green navigation bar near the top of every page – it's different now. It opens up, to show descriptions and subtopics, making it quicker and easier to figure out what's where and reduce guessing. Why? Two reasons: First, farmers.gov has grown a lot over the years and the old navigation wasn't designed for the load. Second, because you asked for it. We analyzed your comments through the "Feedback" button on the site and tested our new designs and information organization with real farmers and ranchers through surveys and live testing sessions.

Along with the new website navigation, we restructured how our pages and topics are grouped and organized to help you easily access the information you need. We also relabeled some of our existing pages using more direct language. This means that pages or information you've used before may have different labels or be in new places.

Important changes:

- The old Fund page is now called Loans. The Loans page has information and resources about USDA loans, including the Farm Loan Programs.
- The Recover page is now Protection and Recovery. This page has information to help you prepare and recover from natural disasters, and to mitigate risk for your operation.
- The Conserve page is now Conservation. This page hasn't changed much and still has information on how to implement conservation practices, improve and preserve natural resources, and address conservation concerns.
- The Manage page is now Working With Us. This page connects you with resources that tell you how USDA can help you start, expand, enhance, or improve your agricultural operation.
- The Connect page has been replaced with Your Business, a guide to USDA resources that cater to your specific operation. Information that was on the Connect page has been moved to the Contact Us page and the Get Involved page.

We are always updating farmers.gov based on your feedback and to stay up-to-date with important USDA announcements. We've recently created some new webpages, and updated some existing ones, to better equip you with the vital information you need. There are even more new pages coming soon, so stay tuned!

For farmers.gov, we don't guess what farmers and ranchers want from a website. We start by asking, then test our designs with volunteers who are also farmers and ranchers.

There's a feedback button on every page of farmers.gov. Based on your feedback, we looked for ways to make our site easier to use and to build the information that you're looking for. Live user testing sessions provide data, such as this heatmap, showing where testers tended to click during an exercise.

You helped us create the new navigation design, the new information organization, and told us how to speak using your words, and not legalese.

Check out farmers.gov today!

USDA Accepting Applications to Help Cover Costs for Organic Certification



USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for USDA funds to assist with the cost of receiving and maintaining organic certification through the [Organic Certification Cost Share Program](#) (OCCSP). Applications for eligible certification expenses paid between Oct. 1, 2020, and Sept. 30, 2021, are due Nov. 1, 2021.

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Producers can be reimbursed for expenses including application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

For 2021, OCCSP will reimburse 50 percent of a certified operation's allowable certification costs, up to a maximum of \$500 for each of the following categories or "scopes:"

- crops
- wild crops
- livestock
- processing/handling
- State organic program fees.

Organic farmers and ranchers may apply through an FSA county office or a participating state agency.

More Information

To learn more about organic certification cost share, please visit the [OCCSP webpage](#), visit usda.gov/organic, or contact your [local USDA Service Center](#).

NASS to send 2021 Hemp Acreage and Production survey this fall

This October, USDA's National Agricultural Statistics Service will mail its first **Hemp Acreage and Production**

Survey. The survey will collect information on the total planted and harvested area, yield, production, and value of hemp in the United States.

The Domestic Hemp Production Program established in the Agriculture Improvement Act of 2018 (2018 Farm Bill) allows for the cultivation of hemp under certain conditions. The Hemp Acreage and Production survey will provide needed data about the hemp industry to assist producers, regulatory agencies, state governments, processors, and other key industry entities.

Producers may complete the survey online at agcounts.usda.gov or they may complete and return the survey by mail using the return envelope provided.

Learn more about the survey at nass.usda.gov/go/hemp.

FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19

Set-Aside Delays Loan Payments for Borrowers

USDA's Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers with USDA farm loans who are affected by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive a letter with the details of the expanded Disaster Set-Aside authorities, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.

The set-aside payment's due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower's cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan applicants and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns. Customers participating in FSA's guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account,

which provides access to the farmers.gov portal where producers can view USDA farm loan information and certain program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at farmers.gov/sign-in.

Lenders Can Now Apply for New Heirs' Property Relending Program

Intermediary lenders can now apply for loans through the new Heirs' Property Relending Program (HPRP). The U.S. Department of Agriculture (USDA) is accepting applications today through October 29, 2021, and cooperatives, credit unions and nonprofit organizations are encouraged to apply for these competitive loans, which ultimately will help agricultural producers and landowners resolve heirs' land ownership and succession issues.

Through HPRP, FSA loans up to \$5 million at a 1% interest rate to eligible lenders. Then, those eligible lenders will reloan funds to heirs to help resolve title issues by financing the purchase or consolidation of property interests and financing costs associated with a succession plan.

How to Apply

Intermediary lenders should apply by the October 29, 2021 deadline using the [HPRP application form \(FSA-2637\)](#), which can be submitted to FSA by mail:

FSA Deputy Administrator for Farm Loan Programs

Loan Making Division

STOP 0522

1400 Independence Avenue, S.W.

Washington, DC 20250

Additionally, FSA will host a webinar on September 15 at 2 p.m. ET for interested lenders, who can register or learn more on the [FSA Outreach and Education webpage](#).

Eligible Lenders

Intermediary lenders must:

- be certified as a community development financial institution, and
- have experience and capability in making and servicing agricultural and commercial loans that are similar in nature.

If applications exceed the amount of available funds, FSA will prioritize applicants that both:

- have at least 10 years or more of experience with socially disadvantaged farmers; and
- are located in states that have adopted a statute consisting of enactment or adoption of the Uniform Partition of Heirs Property Act (UPHPA). A list of these states is available at [gov/heirs/re lending](https://farmers.gov/heirs/re lending).

More Information

[Frequently asked questions](#) (including those in Spanish, Thai and Chinese), the [August 3, 2021 overview webinar](#), and other resources can be found on farmers.gov/heirs/re lending.

After the loans are announced, USDA will distribute information for heirs on how to apply. Information for heirs is also on farmers.gov/heirs/re lending.

SBA Economic Injury Disaster Loans Available



Small nonfarm businesses in Kentucky may be eligible to apply for low-interest federal disaster loans from the U.S. Small Business Administration. By law, SBA makes Economic Injury Disaster Loans available when the U.S. Secretary of Agriculture designates an agricultural disaster.

SBA eligibility covers both the economic impacts on businesses dependent on farmers and ranchers that have suffered agricultural production losses caused by the disaster and businesses directly impacted by the disaster.

Small nonfarm businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private nonprofit organizations of any size may qualify for Economic Injury Disaster Loans of up to \$2 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred.

Eligibility for these loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 3 percent for businesses and 2 percent for private nonprofit organizations, a maximum term of 30 years and are available to small businesses and most private nonprofits without the financial ability to offset the adverse impact without hardship.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency about the U.S. Department of Agriculture assistance made available by the Secretary's declaration. However, nurseries are eligible for SBA disaster assistance in drought disasters.

Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloanassistance.sba.gov/>. Applicants may also

call SBA's Customer Service Center at (800) 659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance.

Maintaining Good Credit History

Farm Service Agency (FSA) loans require applicants to have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, see if bills are paid timely and to determine the impact on cash flow.

Information on your credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score:

- Make sure to pay bills on time
 - Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt
- Keep your credit card balances low
- Avoid suddenly opening or closing existing credit accounts

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, contact your [local USDA Service Center](#), or visit fsa.usda.gov.

September 2021 Selected Interest Rates

Farm Loan Programs	
90-Day Treasury Bill	0.125%
Farm Operating Loans - Direct	1.850%
Farm Ownership Loans - Direct	3.000%
Limited Resource Loans	5.000%
Farm Ownership Loans - Direct FO Down Payment	1.500%
Emergency Loans	2.875%

Farm Programs Farm Storage Facility Loans	
3 Year	0.375%
5 Year	0.750%
7 Year	1.000%
10 Year	1.250%
12 Year	1.375%
15 Year	1.625%
Commodity Loans	1.125%
CCC Borrowing Rate	0.125%

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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).

USDA Farm Service Agency
www.fsa.usda.gov