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| **Maine FSA State Newsletter**  -  June 17, 2021 |
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| In This Issue:* [After Identifying Gaps in Previous Aid, USDA Announces ‘Pandemic Assistance for Producers’ to Distribute Resources More Equitably](#link_1)
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| After Identifying Gaps in Previous Aid, USDA Announces ‘Pandemic Assistance for Producers’ to Distribute Resources More Equitably

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| Image of Brush Management depicting two people in a fieldAgriculture Secretary Tom Vilsack announced that USDA is establishing new programs and efforts to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19 market disruptions. The new initiative—**USDA Pandemic Assistance for Producers**—will reach a broader set of producers than in previous COVID-19 aid programs.USDA is dedicating at least $6 billion toward the new programs. The Department will also develop rules for new programs that will put a greater emphasis on outreach to small and socially disadvantaged producers, specialty crop and organic producers, timber harvesters, as well as provide support for the food supply chain and producers of renewable fuel, among others. Existing programs like the Coronavirus Food Assistance Program (CFAP) will fall within the new initiative and, where statutory authority allows, will be refined to better address the needs of producers.**USDA Pandemic Assistance for Producers** was needed, said Vilsack, after a review of previous COVID-19 assistance programs targeting farmers identified a number of gaps and disparities in how assistance was distributed as well as inadequate outreach to underserved producers and smaller and medium operations.USDA will reopen sign-up for CFAP 2 for at least 60 days beginning on April 5, 2021. The USDA Farm Service Agency (FSA) has committed at least $2.5 million to improve outreach for CFAP 2 and will establish partnerships with organizations with strong connections to socially disadvantaged communities to ensure they are informed and aware of the application process.****USDA Pandemic Assistance for Producers – 4 Parts**** ***Part 1: Investing $6 Billion to Expand Help & Assistance to More Producers***USDA will dedicate at least $6 billion to develop a number of new programs or modify existing proposals using discretionary funding from the Consolidated Appropriations Act and other coronavirus funding that went unspent by the previous administration.***Part 2: Adding $500 Million of New Funding to Existing Programs***USDA expects to begin investing approximately $500 million in expedited assistance through several existing programs this spring, with most by April 30.***Part 3: Carrying Out Formula Payments under CFAP 1, CFAP 2, CFAP AA***The Consolidated Appropriations Act, 2021, enacted December 2020 requires FSA to make certain payments to producers according to a mandated formula. USDA is now expediting these provisions because there is no discretion involved in interpreting such directives, they are self-enacting.* An increase in CFAP 1 payment rates for cattle. Cattle producers with approved CFAP 1 applications will automatically receive these payments beginning in April. Information on the additional payment rates for cattle can be found on [farmers.gov/cfap](https://www.farmers.gov/cfap?utm_medium=email&utm_source=govdelivery). Eligible producers do not need to submit new applications, since payments are based on previously approved CFAP 1 application. USDA estimates additional payments of more than $1.1 billion to more than 410,000 producers, according to the mandated formula.
* Additional CFAP assistance of $20 per acre for producers of eligible crops identified as CFAP 2 flat-rate or price-trigger crops beginning in April. This includes alfalfa, corn, cotton, hemp, peanuts, rice, sorghum, soybeans, sugar beets and wheat, among other crops. FSA will automatically issue payments to eligible price trigger and flat-rate crop producers based on the eligible acres included on their CFAP 2 applications. Eligible producers do not need to submit a new CFAP 2 application. For a list of all eligible row-crops, visit [farmers.gov/cfap](https://www.farmers.gov/cfap?utm_medium=email&utm_source=govdelivery). USDA estimates additional payments of more than $4.5 billion to more than 560,000 producers, according to the mandated formula.
* USDA will finalize routine decisions and minor formula adjustments on applications and begin processing payments for certain applications filed as part of the CFAP Additional Assistance program in the following categories:
	+ Applications filed for pullets and turfgrass sod;
	+ A formula correction for row-crop producer applications to allow producers with a non-Actual Production History (APH) insurance policy to use 100% of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield in the calculation;
	+ Sales commodity applications revised to include insurance indemnities, Noninsured Crop Disaster Assistance Program payments, and Wildfire and Hurricane Indemnity Program Plus payments, as required by statute; and
	+ Additional payments for swine producers and contract growers under CFAP Additional Assistance remain on hold and are likely to require modifications to the regulation as part of the broader evaluation and future assistance; however, FSA will continue to accept applications from interested producers.

***Part 4: Reopening CFAP 2 Sign-Up to Improve Access & Outreach to Underserved Producers***As noted above, USDA will re-open sign-up for of CFAP 2 for at least 60 days beginning on April 5, 2021.* FSA has committed at least $2.5 million to establish partnerships and direct outreach efforts intended to improve outreach for CFAP 2 and will cooperate with grassroots organizations with strong connections to socially disadvantaged communities to ensure they are informed and aware of the application process.

Please visit [www.farmers.gov](https://www.farmers.gov/?utm_medium=email&utm_source=govdelivery)  for additional information and announcements under the **USDA Pandemic Assistance to Producers** initiative, which will help to expand and more equitably distribute financial assistance to producers and farming operations during the COVID-19 national emergency. |

USDA Expands and Renews Conservation Reserve Program in Effort to Boost Enrollment and Address Climate ChangeUSDA will open enrollment in the Conservation Reserve Program (CRP) with higher payment rates, new incentives, and a more targeted focus on the program’s role in climate change mitigation. Additionally, USDA is announcing investments in partnerships to increase climate-smart agriculture, including $330 million in 85 Regional Conservation Partnership Program (RCPP) projects and $25 million for On-Farm Conservation Innovation Trials.****Conservation Reserve Program****USDA’s goal is to enroll up to 4 million new acres in CRP by raising rental payment rates and expanding the number of incentivized environmental practices allowed under the program. CRP is one of the world’s largest voluntary conservation programs with a long track record of preserving topsoil, sequestering carbon, and reducing nitrogen runoff, as well providing healthy habitat for wildlife.CRP is a powerful tool when it comes to climate mitigation, and acres currently enrolled in the program mitigate more than 12 million metric tons of carbon dioxide equivalent (CO2e). If USDA reaches its goal of enrolling an additional 4 million acres into the program, it will mitigate an additional 3 million metric tons of CO2 equivalent and prevent 90 million pounds of nitrogen and 33 million tons of sediment from running into our waterways each year.****New Climate-Smart Practice Incentive****To target the program on climate change mitigation, FSA is introducing a new **Climate-Smart Practice Incentive** for CRP general and continuous signups that aims to increase carbon sequestration and reduce greenhouse gas emissions. Climate-Smart CRP practices include establishment of trees and permanent grasses, development of wildlife habitat, and wetland restoration. The Climate-Smart Practice Incentive is annual, and the amount is based on the benefits of each practice type.****Higher Rental Rates and New Incentives****In 2021, CRP is capped at 25 million acres, and currently 20.8 million acres are enrolled. Furthermore, the cap will gradually increase to 27 million acres by 2023. To help increase producer interest and enrollment, FSA is:* **Adjusting soil rental rates.**This enables additional flexibility for rate adjustments, including a possible increase in rates where appropriate.
* **Increasing payments for Practice Incentives from 20% to 50%.**This incentive for continuous CRP practices is based on the cost of establishment and is in addition to cost share payments.
* **Increasing payments for water quality practices.**Rates are increasing from 10% to 20% for certain water quality benefiting practices available through the CRP continuous signup, such as grassed waterways, riparian buffers, and filter strips.
* **Establishing a CRP Grassland minimum rental rate.**This benefits more than 1,300 counties with rates currently below the minimum.

To learn more about updates to CRP, download our “What’s New with CRP”[fact sheet](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.fsa.usda.gov%2Fprograms-and-services%2Fconservation-programs%2Fconservation-reserve-program%2Findex%3Futm_medium%3Demail%26utm_source%3Dgovdelivery&data=04%7C01%7C%7C683d76e278934c6cfc5d08d931ae4384%7Ced5b36e701ee4ebc867ee03cfa0d4697%7C0%7C1%7C637595446797007321%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=NrtNqgltpNb8dW4eJxEK0qzQdoshzXQIXyFyTAPTfEA%3D&reserved=0).   Supervised Credit from FSAFarm Service Agency (FSA) farm loans are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.For more information on FSA farm loan programs,  visit [fsa.usda.gov/me](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.fsa.usda.gov%2F%3Futm_medium%3Demail%26utm_source%3Dgovdelivery&data=04%7C01%7C%7C683d76e278934c6cfc5d08d931ae4384%7Ced5b36e701ee4ebc867ee03cfa0d4697%7C0%7C1%7C637595446797017277%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=9%2Fdg7ZuMSSeTtj8m309eRmMbwGzdFsIxdWS51LAFWsM%3D&reserved=0).Maintaining Good Credit HistoryFarm 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, visit [fsa.usda.gov/me](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.fsa.usda.gov%2F%3Futm_medium%3Demail%26utm_source%3Dgovdelivery&data=04%7C01%7C%7C683d76e278934c6cfc5d08d931ae4384%7Ced5b36e701ee4ebc867ee03cfa0d4697%7C0%7C1%7C637595446797017277%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=9%2Fdg7ZuMSSeTtj8m309eRmMbwGzdFsIxdWS51LAFWsM%3D&reserved=0). Preauthorized Debit Available for Farm Loan BorrowersUSDA’s Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer’s account at a financial institution.PAD may be useful if you use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at [rd.usda.gov/publications/regulations-guidelines](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.rd.usda.gov%2Fpublications%2Fregulations-guidelines%3Futm_medium%3Demail%26utm_source%3Dgovdelivery&data=04%7C01%7C%7C683d76e278934c6cfc5d08d931ae4384%7Ced5b36e701ee4ebc867ee03cfa0d4697%7C0%7C1%7C637595446797027235%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=LrKPjBdaAJlkUYPd3BJcRxMnthSYqpi4kv59AoowYBQ%3D&reserved=0). Click forms and search for “Form 3550-28.”If you have a “filter” on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three-month period, the preauthorized debit agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.For more information about PAD, visit [fsa.usda.gov](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.fsa.usda.gov%2F%3Futm_medium%3Demail%26utm_source%3Dgovdelivery&data=04%7C01%7C%7C683d76e278934c6cfc5d08d931ae4384%7Ced5b36e701ee4ebc867ee03cfa0d4697%7C0%7C1%7C637595446797027235%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=Mxvig%2BBjMKeOIyVRm33DW21jQxt2%2FnHlkuhjQ7U3KjY%3D&reserved=0). In a Historic Move, USDA to Begin Loan Payments to Socially Disadvantaged Borrowers under American Rescue Plan Act Section 1005The U.S. Department of Agriculture Farm Service Agency (FSA) [published the first notice of funding availability (NOFA)](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fpublic-inspection.federalregister.gov%2F2021-11155.pdf%3Futm_medium%3Demail%26utm_source%3Dgovdelivery&data=04%7C01%7C%7C683d76e278934c6cfc5d08d931ae4384%7Ced5b36e701ee4ebc867ee03cfa0d4697%7C0%7C1%7C637595446797027235%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=YgR9t%2Bhr5PJT4TENMqYiZTwUcecJAsM7%2B%2BjunMcF%2FVk%3D&reserved=0) (PDF, 242 KB) announcing loan payments for eligible borrowers with qualifying direct farm loans under the American Rescue Plan Act Section 1005. The official NOFA will be published in the Federal Register early this week and USDA expects payments to begin in early June and continue on a rolling basis. A subsequent notice addressing guaranteed loan balances and direct loans that no longer have collateral and have been previously referred to the Department of Treasury for debt collection for offset, will be published within 120 days.Section 1005 of the American Rescue Plan Act of 2021 (ARPA) provides funding and authorization for USDA FSA to pay up to 120 percent of direct and guaranteed loan outstanding balances as of January 1, 2021, for socially disadvantaged farmers and ranchers as defined in Section 2501(a) of the Food, Agriculture Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)). Section 2501(a) defines a socially disadvantaged farmer or rancher as a farmer or rancher who is a member of a socially disadvantaged group, which is further defined as a group whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. Qualifying loans as part of today’s announcement are certain direct loans under the Farm Loan Programs (FLP) and Farm Storage Facility Loan Program (FSFL).For much of the history of the USDA, socially disadvantaged farmers and ranchers have faced discrimination—sometimes overt and sometimes through deeply embedded rules and policies—that have prevented them from achieving as much as their counterparts who do not face these documented acts of discrimination. Over the past 30 years, several major civil rights lawsuits have compensated farmers for specific acts of discrimination—including Pigford I and Pigford II, Keepseagle, and the Garcia cases. However, those settlements and other related actions did not address the systemic and cumulative impacts of discrimination over a number of decades that the American Rescue Plan now begins to address.Sections 1005 and 1006 of ARPA provide USDA with new tools to address longstanding inequities for socially disadvantaged borrowers. Section 1006 of ARPA provides additional funding to begin long-term racial equity work within USDA, including to address heirs property claims and to stand up an Equity Commission to identify barriers to access USDA programming.To learn more about the loan payments to socially disadvantaged farmers and ranchers, visit [www.farmers.gov/americanrescueplan](https://www.farmers.gov/americanrescueplan?utm_medium=email&utm_source=govdelivery). Persons with disabilities who require accommodations to attend or participate in any meeting/event/function should contact Mary Anne Coffin at 207-990-9140 or Federal Relay Service at 1-800-877-8339.Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, [USDA Service Centers](http://www.farmers.gov/service-locator?utm_medium=email&utm_source=govdelivery) are open to limited visitors. Contact your Service Center to set up an in-person or phone appointment. Additionally, more information related to USDA’s response and relief for producers can be found at[farmers.gov/coronavirus](https://www.farmers.gov/coronavirus?utm_medium=email&utm_source=govdelivery). |
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| Maine /Farm Service Agency967 Illinois Ave, Ste 2Bangor, ME  04401Phone: 207-990-9140Fax: 855-589-1056Maine Farm Service Agency Website:   [fsa.usda.gov/me](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.fsa.usda.gov%2Fstate-offices%2FMaine%2Findex%3Futm_medium%3Demail%26utm_source%3Dgovdelivery&data=04%7C01%7C%7C683d76e278934c6cfc5d08d931ae4384%7Ced5b36e701ee4ebc867ee03cfa0d4697%7C0%7C1%7C637595446797037189%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=%2FWkTX%2BDsfT9JHNr4V1%2BBPhsj04t2q4vplIQ175WS%2Bu4%3D&reserved=0)

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|  **Sherry Hamel, Acting State Exec Director****207-990-990-9131**sherry.hamel@usda.gov | **Jennifer Ranke, Farm Loan Chief****207-990-9140**jennifer.ranke@usda.gov |
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