



Farm Service Agency

U.S. DEPARTMENT OF AGRICULTURE

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In This Issue:

- [USDA Launches Online Debt Consolidation Tool to Increase Farmer And Rancher Financial Viability](#)
- [Marketing Assistance Loans and Loan Deficiency Payments for Wool, Mohair and Unshorn Pelts](#)
- [Is the Noninsured Crop Disaster Assistance Program Right for You?](#)
- [Reminder: Insurance Linkage Requirements for Payments Received Through the Emergency Relief Program](#)
- [Disaster Set-Aside Program for Farm Loan Borrowers](#)
- [Report Banking Changes to FSA](#)
- [Keeping Livestock Inventory Records](#)
- [FSA Offers Loan Servicing Options](#)
- [USDA Expands Funding Opportunities for Specialty Crop Growers to Help Offset On-Farm Food Safety Expenses for 2024 and 2025](#)

State Executive Director Comments



As summer comes to an end, I hope everyone got to enjoy the season and the agricultural festivities that come along with it. As we head to the busy time of fall harvest, please be mindful of farm safety considerations on your operation. September 15-21 is National Farm Safety and Health week, highlighting the importance of focusing on farm safety every day, but especially during this time of year. The [Upper Midwest Agricultural Health and Safety Center \(UMASH\)](#) has some great resources that they will be sharing throughout the week.

Minnesota FSA had a fantastic summer with the 27 interns that helped us carry out our mission. Attached is a photo with our Minnesota State Office intern Alisha Kleme who had the chance to meet USDA Secretary Tom Vilsack when he was visiting. He talked to her about the opportunity for young people in the agricultural field and at USDA. If you have young people in your life interested in a career, please check out opportunities at FSA next summer!

On a personal note, this will be my final newsletter as Minnesota FSA State Executive Director. I will be heading to the University of Minnesota Extension next week, and I look forward to continuing my work with our agricultural community in that capacity. It has been my great honor to serve Minnesota farmers in this role, and I know Minnesota will continue to be served well by the incredible public servants in our agency.

Respectfully,
Whitney Place

USDA Launches Online Debt Consolidation Tool to Increase Farmer And Rancher Financial Viability

USDA Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

NEW!

Debt Consolidation Tool from FSA



The U.S. Department of Agriculture (USDA) is announcing the launch of the Debt Consolidation Tool, an innovative online tool available through farmers.gov that allows agricultural producers to enter their farm operating debt and evaluate the potential savings that might be provided by obtaining a debt consolidation loan with USDA's Farm Service Agency (FSA) or a local lender.

A debt consolidation loan is a new loan used to pay off other existing operating loans or lines of credit that might have unreasonable rates and terms. By combining multiple eligible debts into a single, larger loan, borrowers may obtain more favorable payment terms such as a lower interest rate or lower payments. Consolidating debt may also provide farmers and ranchers additional cash flow flexibilities.

The Debt Consolidation Tool is a significant addition to FSA's suite of improvements designed to modernize its Farm Loan Programs. The tool enhances customer service and increases opportunities for farmers and ranchers to achieve financial viability by helping them identify potential savings that could be reinvested in their farming and ranching operation, retirement accounts, or college savings accounts.

Producers can access the Debt Consolidation Tool by visiting farmers.gov/debt-consolidation-tool. The tool is built to run on modern browsers including Chrome, Edge, Firefox, or the Safari browser. Producers do not need to create a farmers.gov account or access the authenticated customer portal to use the tool.

Additional Farm Loan Programs Improvements

FSA recently announced significant changes to Farm Loan Programs through the Enhancing Program Access and Delivery for Farm Loans rule. These policy changes, to take effect September 25, 2024, are designed to better assist borrowers to make strategic investments in the enhancement or expansion of their agricultural operations.

FSA also has a significant initiative underway to streamline and automate the Farm Loan Program customer-facing business process. For the over 26,000 producers who submit a direct loan application annually, FSA has made several impactful improvements including:

- The Loan Assistance Tool that provides customers with an interactive online, step-by-step guide to identifying the direct loan products that may be a fit for their business needs and to understanding the application process.
- The Online Loan Application, an interactive, guided application that is paperless and provides helpful features including an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet, and build a farm operating plan.
- An online direct loan repayment feature that relieves borrowers from the necessity of calling, mailing, or visiting a local USDA Service Center to pay a loan installment.
- A simplified direct loan paper application, reduced from 29 pages to 13 pages.
- A new educational hub with farm loan resources and videos.

USDA encourages producers to reach out to their local FSA farm loan staff to ensure they fully understand the wide range of loan and servicing options available to assist with starting, expanding, or maintaining their agricultural operation. To conduct business with FSA, please contact your local [USDA Service Center](#).

FSA helps America's farmers, ranchers and forest landowners invest in, improve, protect and expand their agricultural operations through the delivery of agricultural programs for all Americans. FSA implements agricultural policy, administers credit and loan programs, and manages conservation, commodity, disaster recovery and marketing programs through a national network of state and county offices and locally elected county committees. For more information, visit fsa.usda.gov.

Marketing Assistance Loans and Loan Deficiency Payments for Wool, Mohair and Unshorn Pelts

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) provide financing and marketing assistance for producers of many commodities, including graded and non-graded wool, mohair, and unshorn pelts. MALs and LDPs are available during shearing and provide interim financing to help you meet cash flow needs without having to sell commodities when market prices are low, enabling you to delay selling until more favorable marketing conditions emerge. LDPs are payments made to producers who,

although eligible to obtain an MAL, agree to forgo the loan in return for a payment on the eligible commodity.

FSA is now accepting requests for 2024 MALs and LDPs for all eligible wool, mohair and unshorn pelts. These requests should be made on or before the final availability date of Jan. 31, 2025. USDA recently announced [2024 wool and mohair marketing assistance loan rates](#).

Eligibility

To be eligible for a wool or mohair MAL or LDP, producers must produce and shear eligible mohair and wool in the U.S. during the applicable crop year and must:

- comply with conservation and wetland protection requirements;
- report all cropland acreage on applicable farms where the eligible commodity is produced;
- have and retain beneficial interest in the commodity until the MAL is repaid or the Commodity Credit Corporation (CCC) takes title to the commodity, and;
- meet Adjusted Gross Income (AGI) limitations.

Unshorn pelts are eligible for LDPs only. In addition to the criteria above, producers of unshorn pelts must have sold the unshorn lamb for immediate slaughter or slaughter the lambs for personal use. LDPs and marketing loan gains are not subject to payment limitation, including actively engaged in farming and cash rent tenant provisions.

In addition to producer eligibility, the loan commodity must have been produced and shorn from live animals by an eligible producer, be in storable condition, and meet specific CCC minimum grade and quality standards. Producers are responsible for any loss in quantity or quality of the wool or mohair pledged as loan collateral.

To retain beneficial interest, the producer must have control and title of the wool, mohair, or unshorn pelt. If beneficial interest in the commodity is lost, the commodity loses eligibility for an MAL or LDP and remains ineligible even if the producer later regains beneficial interest. The producer must be able to make all decisions affecting the commodity including movement, sale, and the request for an MAL or LDP.

Producers may repay an MAL any time during the loan period at the lesser of the loan rate plus accrued interest and other charges or an alternative loan repayment rate, the national posted price, which is announced weekly. Visit the Farm Service Agency (FSA) website for [posted loan and LDP rates](#).

How to Apply

Producers can apply for an MAL by contacting their local FSA county office. To be considered for a LDP, **producers must first have the form CCC-633 EZ, Page 1, on file with FSA** prior to losing beneficial interest in the wool, mohair or unshorn pelt. **It is best to visit the county office and submit the CCC-633 Page 1 right before you shear.** This is completed one time per crop year and indicates your intention to receive LDP benefits.

To apply and learn more information, contact your [local USDA Service Center](#) or visit fsa.usda.gov.

Is the Noninsured Crop Disaster Assistance Program Right for You?

Farmers and ranchers rely on crop insurance to protect themselves from disasters and unforeseen events, but not all crops are insurable through the USDA's Risk Management Agency. The Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides producers another option to obtain coverage against disaster for these crops. NAP provides financial assistance to producers of non-insurable crops impacted by natural disasters that result in lower yields, crop losses, or prevents crop planting.



Commercially produced crops and agricultural commodities for which crop insurance is not available are generally eligible for NAP. Eligible crops include those grown specifically for food, fiber, livestock consumption, biofuel or biobased products, or value loss crops such as aquaculture, Christmas trees, ornamental nursery, and others. Contact your local FSA office to see which crops are eligible in your state and county.

Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind or hurricanes, earthquake and flood. These events must occur during the NAP policy coverage period, before or during harvest, and the disaster must directly affect the eligible crop. For guidance on causes of loss not listed, contact your local FSA county office.

Interested producers apply for NAP coverage using FSA form [CCC-471](#), "Application for Coverage," and pay the applicable service fee at the FSA office where their farm records are maintained. These must be filed by the application closing date, which varies by crop. Contact your local FSA office to verify application closing dates and ensure coverage for eligible NAP crops.

At the time of application, each producer acknowledges they have received the [NAP Basic Provisions](#), which describes NAP requirements for coverage. NAP participants must report crop acreage shortly after planting and provide verifiable or reliable crop production records when required by FSA.

Producers are required to pay service fees which vary depending on the number of crops and number of counties your operation is located in. The NAP service fee is the lesser of \$325 per crop or \$825 per producer per administrative county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Premiums also apply when producers elect higher levels of coverage with a maximum premium of \$15,750 per person or legal entity.

A producer's certification on Form CCC-860 *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification* may serve as an application for basic NAP coverage for all eligible crops beginning with crop year 2022. These producers will have all NAP-related service fees for basic coverage waived, in addition to a 50 percent premium reduction if higher levels of coverage are elected.

For more detailed information on NAP, download the [NAP Fact Sheet](#). To get started with NAP, we recommend you contact your [local USDA service center](#).

Reminder: Insurance Linkage Requirements for Payments Received Through the Emergency Relief Program

Producers who received an Emergency Relief Program (ERP) payment need to meet ERP insurance linkage requirements by purchasing crop insurance, or Noninsured Crop Disaster Assistance Program (NAP) coverage where crop insurance is not available.

Purchase coverage must be at the 60/100 coverage level or higher for insured crops or at the catastrophic coverage level or higher for NAP crops for the next two available crop years, which will be determined from the date you received an ERP payment and may vary depending on the timing and availability of coverage. The insurance coverage requirement applies to the physical location of the county where the crop was located and for which an ERP payment was issued.

Contact your crop insurance agent or local FSA county office as soon as possible to ask about coverage options. Producers who do not obtain the applicable coverage by the sales/application closing date will be required to refund the ERP benefits received on the applicable crop, plus interest. To determine which crops are eligible for federal crop insurance or NAP, visit the RMA website.

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

Disaster Set-Aside Program for Farm Loan Borrowers



Farm Service Agency (FSA) borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and relieves immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local USDA Service Center or visit fsa.usda.gov.

Report Banking Changes to FSA

Farm Service Agency (FSA) program payments are issued electronically into your bank account. In order to receive timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for any reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2019 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2020. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

Keeping Livestock Inventory Records

Livestock inventory records are necessary in the event of a natural disaster, so remember to keep them updated.

When disasters strike, the USDA Farm Service Agency (FSA) can help you if you've suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.



To participate in the [Livestock Indemnity Program](#) (LIP), you'll be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to your local FSA office no later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred. For the [Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish Program](#) (ELAP), you must submit a notice of loss to your local FSA office no later than the annual program application deadline of January 30 following the program year in which the loss occurred and should maintain documentation and receipts.

You should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts.

For more information on documentation requirements, contact your local USDA Service Center or visit fsa.usda.gov.

FSA Offers Loan Servicing Options

There are options for Farm Service Agency (FSA) loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about your options.

USDA Expands Funding Opportunities for Specialty Crop Growers to Help Offset On-Farm Food Safety Expenses for 2024 and 2025



The U.S. Department of Agriculture (USDA) is expanding the [Food Safety Certification for Specialty Crops \(FSCSC\) program](#) to now include medium-sized businesses in addition to small businesses. Eligible specialty crop growers can apply for assistance for expenses related to obtaining or renewing a food safety certification. The program has also been expanded to include assistance for 2024 and 2025 expenses.

Producers can apply for assistance on their calendar year 2024 expenses beginning July 1,

2024, through Jan. 31, 2025. For program year 2025, the application period will be Jan. 1, 2025, through Jan. 31, 2026.

Program Details

FSCSC assists specialty crop operations that incurred eligible on-farm food safety certification and expenses related to obtaining or renewing a food safety. FSCSC covers a percentage of the specialty crop operation's cost of obtaining or renewing its certification, as well as a portion of related expenses.

Eligible FSCSC applicants must be a specialty crop operation; meet the definition of a small or medium-size business and have paid eligible expenses related to certification.

A small business has an average annual monetary value of specialty crops sold by the applicant during the three-year period preceding the program year of no more than \$500,000.

- A small business has an average annual monetary value of specialty crops sold by the applicant during the three-year period preceding the program year of no more than \$500,000.
- A medium size business has an average annual monetary value of specialty crops the applicant sold during the three-year period preceding the program year of at least \$500,001 but no more than \$1,000,000.

Specialty crop operations can receive the following cost assistance:

- Developing a food safety plan for first-time food safety certification.
- Maintaining or updating an existing food safety plan.
- Food safety certification.
- Certification upload fees.
- Microbiological testing for products, soil amendments and water.

FSCSC payments are calculated separately for each eligible cost category. Details about payment rates and limitations are available at farmers.gov/food-safety.

Applying for Assistance

Interested applicants have until Jan. 31, 2025, to apply for assistance for 2024 eligible expenses. FSA will issue payments as applications are processed and approved. For program year 2025, the application period will be January 1, 2025, through January 31, 2026. FSA will issue 50% of the calculated payment for program year 2025 following application approval, with the remaining amount to be paid after the application deadline.

If calculated payments exceed the amount of available funding, payments will be prorated.

Specialty crop producers can apply by completing the [FSA-888-1](#), *Food Safety Certification for Specialty Crops Program (FSCSC) for Program Years 2024 and 2025* application. The application, along with the [AD-2047](#), *Customer Data Worksheet* and [SF-3881](#), *ACH Vendor/Miscellaneous Payment Enrollment Form*, if not already on file with FSA, can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. Alternatively, producers with an eAuthentication account can apply for FSCSC [online](#). Producers interested in creating an eAuthentication account should visit [farmers.gov/sign-in](#).

Specialty crop producers can also call 877-508-8364 to speak directly with a FSA employee ready to assist. Visit [farmers.gov/food-safety](#) for additional program details, eligibility information and forms needed to apply.

More Information

To learn more about FSA programs, producers can contact their local [USDA Service Center](#). Producers can also prepare maps for acreage reporting as well as manage farm loans and view other farm records data and customer information by [logging into their farmers.gov account](#). Producers without an account can [sign up today](#).




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[Top of page](#)

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To find contact information for your local USDA Farm Service Agency office, go to: www.fsa.usda.gov/mn

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