

April 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

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New York State FSA Newsletter

New York State Farm Service Agency

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Clark Putman

State Committee:
Judi Whittaker, Chair
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From the State Executive Director

April has finally arrived, after a March that felt like it would go on forever. I don't think anyone will forget this unprecedented time in our lives as the coronavirus has brought many aspects of our life to a halt. However we know farmers work cannot stop, and you will continue to feed your animals, milk your cows and prepare for the planting season to ensure Americans have a plentiful food supply. We also know it's by no means an easy time for you, as prices drop and processing facilities slow down for a variety of reasons. Please know everyone at Farm Service Agency is thankful for the work you are doing, and are here to help you as much as we can.

Dairy farmers, if you have had to dump milk, please keep track of what you are dumping, in case a future program could help you.

Furthermore, On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) 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

Farm Loan Chief:
John Liddington

[To find contact information for your local New York office click here.](#)

April Interest Rates:

Farm Storage Facility Loans:

3 year: 0.75%
5 year: 0.75%
7 year: 1.00%
10 year: 1.125%
12 year: 1.125%

Commodity Loans: 1.625%

Farm Loan Programs:

Farm Operating: 2.375%
Farm Ownership: 3.00%
Conservation Loans: 3.00%
Direct Down Payment: 1.5%
Joint Financing: 2.5%

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

USDA is actively monitoring all agriculture commodity markets and the flow of food from farm to table during the COVID 19 outbreak. We are evaluating various authorities and options, including those Congress provided in the CARES Act, to assist farmers to be prepared if the emergency persists.

The CARES Act also includes a program through the Small Business Administration that farms can participate in, called the [Paycheck Protection Plan](#). If you haven't already, please contact your lender for more information on this program.

USDA Service Centers are open and ready to serve you over the phone or by mail and email. To practice social distancing rules, we currently only have one Farm Program and one Farm Loan staff person in an office at this time, the rest are working from home as much as internet service will allow. FSA has modified its policies in many areas to allow for digital signatures to be used. Your local FSA staff can walk you through that process. We have also made changes to our Farm Loan program to make it easier to go through the process while social distancing. Additionally FSA has extended the maturity time for Marketing Assistance Loans (MAL) from 9 months to 12 months. Speaking of MALs, which are often referred to as commodity loans, the April interest rate for these loans has dropped to 1.625%. So if you have corn grain or soybeans in storage, you could get a loan on that grain as long as it stays in storage, to pay off some expenses. The interest rates on our Farm Storage Facility Loans are super low right now too, if you want to build some additional storage right now, or need equipment to handle stored commodities, like a skid steer or cooler.

Another program that has enrollment open from now until May 15th is the Conservation Reserve Program for Grasslands. This program basically pays producers to keep land in pasture. Read more about this program and others mentioned below.

As specifics of how the CARES Act will be used within Farm Service Agency become available, we will keep you informed through these GovDelivery emails so watch for future information! Please take care of yourself during these difficult times. Our partners at NY FarmNet are always available with a 24-hour hotline you can call at 1-800-547-3276 for mental and financial health issues. I urge you to practice social distancing and be safe and well.

Sincerely,
Clark Putman

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. To locate your local FSA office, visit farmers.gov/service-locator.

CRP Continuous Enrollment Period

The Farm Service Agency is accepting offers for specific conservation practices under the [Conservation Reserve Program \(CRP\) Continuous Signup](#).

CRP is a voluntary program that contracts with agricultural producers so that environmentally sensitive agricultural land is devoted to conservation benefits. CRP participants establish long-term, resource-conserving vegetative species, such as approved grasses or trees (known as “covers”), to control soil erosion, improve the water quality and enhance wildlife habitat. In return, FSA provides participants with annual rental payments and cost-share assistance. Continuous signup enrollment contracts are 10 to 15 years in duration.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

Unlike CRP enrollments under general CRP signups or CRP Grasslands, offers for continuous enrollment are not subject to competitive bidding during specific periods.

For more information, including a list of acceptable practices, visit fsa.usda.gov/crp.

Marketing Assistance Loan Policy

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

MALs and LDPs provide financing and marketing assistance for feed grains, soybeans, and other oilseeds. 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 loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

FSA is now accepting requests for 2019 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

Commodity certificates are available to loan holders who have outstanding nonrecourse loans for feed grains, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan. MALs redeemed with commodity certificates are not subject to Adjusted Gross Income provisions.

For more information and additional eligibility requirements, please contact your USDA Service Center or FSA's website fsa.usda.gov.

Higher Limits Now Available on USDA Farm Loans

Higher limits are now available for borrowers interested in USDA's farm loans, which help agricultural producers purchase farms or cover operating expenses. The 2018 Farm Bill increased the amount that producers can borrow through direct and guaranteed loans available through USDA's Farm Service Agency (FSA) and made changes to other loans, such as microloans and emergency loans.

Key changes include:

- The Direct Operating Loan limit increased from \$300,000 to \$400,000, and the Guaranteed Operating Loan limit increased from \$ 1.429 million to \$1.75 million. Operating loans help producers pay for normal operating expenses, including machinery and equipment, seed, livestock feed, and more.
- The Direct Farm Ownership Loan limit increased from \$300,000 to \$600,000, and the Guaranteed Farm Ownership Loan limit increased from \$1.429 million to \$1.75 million. Farm ownership loans help producers become owner-operators of family farms as well as improve and expand current operations.
- Producers can now receive both a \$50,000 Farm Ownership Microloan and a \$50,000 Operating Microloan. Previously, microloans were limited to a combined \$50,000. Microloans provide flexible access to credit for small, beginning, niche, and non-traditional farm operations.
- Producers who previously received debt forgiveness as part of an approved FSA restructuring plan are now eligible to apply for emergency loans. Previously, these producers were ineligible.
- Beginning and socially disadvantaged producers can now receive up to a 95 percent guarantee against the loss of principal and interest on a loan, up from 90 percent.

About Farm Loans

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

For more information on FSA farm loans, visit www.fsa.usda.gov or contact your [local USDA service center](#).

Farm Storage Facility Loans

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, hemp, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops,

maple syrup and 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 \$100,000 can be secured by a promissory note/security agreement. 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 or contact your local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

Loan Servicing

There are options for Farm Service Agency 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 the options available to you.

USDA Stands Up New Team to Better Serve Beginning Farmers and Ranchers

The U.S. Department of Agriculture (USDA) is standing up a new team of U.S. Department of Agriculture (USDA) staff that will lead a department-wide effort focused on serving beginning farmers and ranchers.

To institutionalize support for beginning farmers and ranchers and to build upon prior agency work, the 2018 Farm Bill directed USDA to create a national coordinator position in the agency and state-level coordinators for four of its agencies – Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), Risk Management Agency (RMA), and Rural Development (RD).

Sarah Campbell was selected as the national coordinator to lead USDA's efforts. A beginning farmer herself, Campbell held previous positions with USDA and has a wealth of experience working on issues impacting beginning farmers and ranchers. She recently served as acting director of customer experience for the Farm Production and Conservation Business Center, where she led the piloting of innovative, customer-centric initiatives.

In her new role, she will work closely with the state coordinators to develop goals and create plans to increase beginning farmer participation and access to programs while coordinating nationwide efforts on beginning farmers and ranchers.

Each state coordinator will receive training and develop tailored beginning farmer outreach plans for their state. Coordinators will help field employees better reach and serve beginning farmers and ranchers and will also be available to assist beginning farmers who need help navigating the variety of resources USDA has to offer.

More on Beginning Farmers

Twenty seven percent of farmers were categorized as new and beginning producers, with 10 years or less of experience in agriculture, according to the 2017 Census of Agriculture.

USDA offers a variety of farm loan, risk management, disaster assistance, and conservation programs to support farmers, including beginning farmers and ranchers. Additionally, a number of these programs have provisions specifically for beginning farmers, including targeted funding for loans and conservation programs as well as waivers and exemptions.

More Information

Learn more about USDA's resources for beginning farmers as well as more information on the national and state-level coordinators at newfarmers.usda.gov and farmers.gov. For more information on available programs in your area, contact your local [USDA service center](#).

Assistance Available to Producers Impacted by Drought and Excess Moisture in 2018 & 2019

USDA has announced additional disaster assistance available to agricultural producers, including producers impacted by drought and excess moisture. 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.

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.

Beginning March 23, producers who suffered either of these types of loss in 2018 and/or 2019 can apply for WHIP+ assistance with 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+ 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 any

A list of counties that received qualifying hurricane declarations and designations is available at 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+.

For more information on FSA disaster assistance programs, please call your [local USDA service center](#).

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).