U.S. DEPARTMENT OF AGRICULTURE

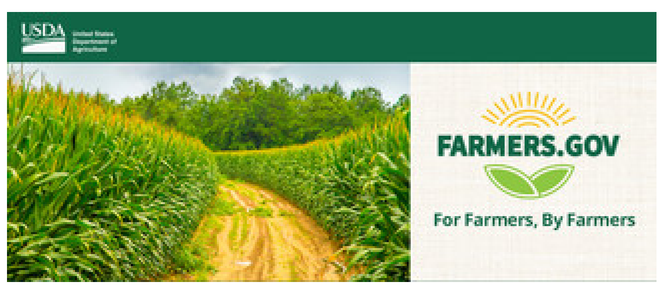
USDA News - Lone Star State Edition - July 29, 2021

Farm Service Agency | **Natural Resources Conservation Service** | **Risk Management Agency**

In This Issue:

- From the State Executive Director
- Farm Service Agency Now Accepting Nominations for County Committee Members
- USDA to Begin Payments for Producers Impacted by 2018 and 2019 Natural Disasters
- USDA to Provide Pandemic Assistance to Livestock Producers for Animal Losses
- FSA is Accepting CRP Continuous Enrollment Offers
- USDA Announces 2021 Cotton Loan Rate Differentials
- FSA Outlines MAL and LDP Policy
- Applying for Farm Storage Facility Loans
- Applying for FSA Guaranteed Loans
- USDA Natural Resources Conservation Service Hiring in Texas, Deadline Extended to Aug. 4

From the State Executive Director



Just a quick glance at this week's forecast lets us know that we're well into summer. When you get a chance to stop for a cool drink of water, be sure to think about if you may be missing out on something important at your local FSA office.

The County Committee Nomination period closes on Aug. 2, 2021. If your LAA is up for election this year, be sure to submit nomination forms before the deadline.

Recently, FSA announced the Pandemic Livestock Indemnity Program (PLIP) as part of USDA's Pandemic Assistance for Producers initiative. Livestock and poultry producers who suffered losses due to insufficient processing access during the pandemic can apply for assistance for those losses and the cost of depopulation and disposal of the animals. Livestock and poultry producers can apply for assistance July 20 through Sept. 17, 2021.

As part of USDA's Pandemic Assistance for Producers initiative, FSA began sign-up for the Pandemic Assistance for Timber Harvesters and Haulers (PATHH) program to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19. Loggers and truckers can apply for assistance through July 22 through Oct. 15, 2021.

Please be reminded that if you need to conduct any business with your local FSA office, please call ahead to make an appointment.

Sincerely,

Eddie Trevino
Acting State Executive Director
Farm Service Agency - Texas

Farm Service Agency Now Accepting Nominations for County Committee Members

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) began accepting nominations for county committee members on June 15. Elections will occur in certain Local Administrative Areas (LAA) for these members who make important decisions about how federal farm programs are administered locally. All nomination forms for the 2021 election must be postmarked or received in the local FSA office by Aug. 2, 2021.

Agricultural producers who participate or cooperate in a USDA program, and reside in the LAA that is up for election this year, may be nominated for candidacy for the county committee. A cooperating producer is someone who has provided information about their farming or ranching operation to FSA, even if they have not applied or received program benefits. Individuals may nominate themselves or others and qualifying organizations may also nominate candidates. USDA encourages minority producers, women and beginning farmers or ranchers to nominate, vote, and hold office.

Nationwide, more than 7,700 dedicated members of the agricultural community serving on FSA county committees. The committees are made up of three to 11 members who serve three-year terms. Producers serving on FSA county committees play a critical role in the day-to-day operations of the agency. Committee members are vital to how FSA carries out disaster programs, as well as conservation, commodity and price support programs, county office employment and other agricultural issues.

LAAs are elective areas for FSA committees in a single county or multi-county jurisdiction. This may include LAAs that are focused on an urban or suburban area.

Urban and Suburban County Committees

The 2018 Farm Bill directed USDA to form urban county committees as well as make other advancements related to urban agriculture, including the establishment of the Office of Urban Agriculture and Innovative Production. FSA established county committees specifically focused on urban agriculture. The urban county committees will work to encourage and promote urban, indoor and other emerging agricultural production practices. Additionally, the new county committees may address areas such as food access, community engagement, support of local activities to promote and encourage community compost and food waste reduction.

Urban committee members are nominated and elected to serve by local urban producers in the same jurisdiction. These members are a vital link in the effective administration of USDA programs and are responsible for carrying out programs in full accordance with the regulations, national and state policies, procedures, and instructions. Urban county committee members will provide outreach to ensure urban producers understand USDA programs and serve as the voice of other urban producers and assist in program implementation that support the needs of the growing urban community. Urban county committees must see that county office operations are supportive and that they receive timely and quality service by carrying out responsibilities effectively, efficiently, and impartially. Learn more at farmers.gov/urban

More Information

Producers should contact their local FSA office today to register and find out how to get involved in their county's election. They should check with their local USDA Service Center to see if their LAA is up for election this year. To be considered, a producer must be registered and sign an FSA-669A nomination form or an FSA-669-A-3 for urban county committees. The form and other information about FSA county committee elections are available at fsa.usda.gov/elections.

Election ballots will be mailed to eligible voters beginning Nov. 1, 2021. To find your local USDA Service Center, visit farmers.gov/service-locator.

USDA to Begin Payments for Producers Impacted by 2018 and 2019 Natural Disasters

More than $1 billion in payments will be released over the next several weeks starting June 15 for agricultural producers with approved applications for the Quality Loss Adjustment (QLA) Program and for producers who have already received payments through the Wildfire and Hurricane Indemnity Program Plus (WHIP+). These U.S. Department of Agriculture (USDA) programs provide disaster assistance to producers who suffered losses to 2018 and 2019 natural disasters.

Producers weathered some significant natural disasters in 2018 and 2019, and USDA's Farm Service Agency (FSA) provided support for crop value and production losses through QLA and crop quantity losses through WHIP+.

QLA Payments

QLA provides assistance to crop and forage producers who suffered a quality loss due to qualifying natural disasters occurring in 2018 or 2019. FSA will begin issuing payments to producers on June 15. FSA accepted applications from Jan. 6 to April 9, 2021. Based on these QLA applications, producers will receive 100% of the calculated assistance under QLA.

For each crop year, 2018, 2019 and 2020, the maximum amount that a person or legal entity may receive, directly or indirectly, is $125,000. Payments made to a joint operation (including a general partnership or joint venture) will not exceed $125,000, multiplied by the number of persons and legal entities that comprise the ownership of the joint operation. A person or legal entity is ineligible for QLA payment if the person's or legal entity's average Adjusted Gross Income exceeds $900,000, unless at least 75% is derived from farming, ranching or forestry-related activities.

Second WHIP+ Payments WHIP+ provides payments to producers to offset production losses due to hurricanes, wildfires, and other qualifying natural disasters that occurred in 2018 and 2019. WHIP+ covered losses of crops, trees, bushes and vines that occurred as a result of those disaster events.

Producers who applied for and have received their first WHIP+ payment can expect to receive the second payment beginning in mid-June for eligible crop losses. Due to budget constraints, producers received an initial WHIP+ payment for 2019 crop losses equal to 50% of the calculated payment. This second payment will be equal to 40% of the calculated payment for a total 90% WHIP+ program payment. This second round of WHIP+ payments are expected to exceed $700 million. A third round of payments may be issued if sufficient funds become available. Producers with 2018 crop losses have already been compensated at 100%.

Future Insurance Coverage Requirements

All producers receiving QLA Program and WHIP+ payments are required to purchase federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage for the next two available crop years at the 60% coverage level or higher. If eligible, QLA participants may meet the insurance purchase requirement by purchasing Whole-Farm Revenue Protection coverage offered through USDA's Risk Management Agency.

More Information

USDA offers a comprehensive portfolio of disaster assistance programs. On farmers.gov, the Disaster Assistance Discovery Tool, Disaster-at-a-Glance fact sheet, and Farm Loan Discovery Tool can help producers and landowners determine all program or loan options available for disaster recovery assistance. For assistance with a crop insurance claim, producers and landowners should contact their crop insurance agent. For FSA and NRCS programs, they should contact their local USDA Service Center.

USDA to Provide Pandemic Assistance to Livestock Producers for Animal Losses

Livestock and poultry producers who suffered losses during the pandemic due to insufficient access to processing can apply for assistance for those losses and the cost of depopulation and disposal of the animals. The U.S. Department of Agriculture (USDA) Secretary Vilsack announced the Pandemic Livestock Indemnity Program (PLIP) in [recorded] remarks at the National Pork Industry Conference in Wisconsin Dells, WI. The announcement is part of USDA's Pandemic Assistance for Producers initiative. Livestock and poultry producers can apply for assistance through USDA's Farm Service Agency (FSA) July 20 through Sept. 17, 2021.

The Consolidated Appropriations Act, 2021, authorized payments to producers for losses of livestock or poultry depopulated from March 1, 2020 through December 26, 2020, due to insufficient processing access as a result of the pandemic. PLIP payments will be based on 80% of the fair market value of the livestock and poultry and for the cost of depopulation and disposal of the animal. Eligible livestock and poultry include swine, chickens and turkeys.

PLIP Program Details

Eligible livestock must have been depopulated from March 1, 2020, through December 26, 2020, due to insufficient processing access as a result of the pandemic. Livestock must have been physically located in the U.S. or a territory of the U.S. at the time of depopulation.

Eligible livestock owners include persons or legal entities who, as of the day the eligible livestock was depopulated, had legal ownership of the livestock. Packers, live poultry dealers and contract growers are not eligible for PLIP.

PLIP payments compensate participants for 80% of both the loss of the eligible livestock or poultry and for the cost of depopulation and disposal based on a single payment rate per head. PLIP payments will be calculated by multiplying the number of head of eligible livestock or poultry by the payment rate per head, and then subtracting the amount of any payments the eligible livestock or poultry owner has received for disposal of the livestock or poultry under the Natural Resources Conservation Service (NRCS) Environmental Quality Incentives Program (EQIP) or a state program. The payments will also be reduced by any Coronavirus Food Assistance Program (CFAP 1 and 2) payments paid on the same inventory of swine that were depopulated.

There is no per person or legal entity payment limitation on PLIP payments. To be eligible for payments, a person or legal entity must have an average adjusted gross income (AGI) of less than $900,000 for tax years 2016, 2017 and 2018.

Applying for Assistance

Eligible livestock and poultry producers can apply for PLIP starting July 20, 2021, by completing the FSA-620, Pandemic Livestock Indemnity Program application, and submitting it to any FSA county office. Additional documentation may be required. Visit farmers.gov/plip for a copy of the Notice of Funding Availability and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit farmers.gov/service-locator. Livestock and poultry producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

FSA is Accepting CRP Continuous Enrollment Offers

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

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program’s long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.

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

For more information, including a list of acceptable practices, contact your local USDA Service Center or visit fsa.usda.gov/crp.

USDA Announces 2021 Cotton Loan Rate Differentials

USDA announced the 2021-crop loan rate differentials for upland and extra-long staple cotton, which are applied to the crop loan rate to determine the per bale actual loan rate.

The differentials, also referred to as loan rate premiums and discounts, were calculated based on market valuations of various cotton quality factors for the prior three years. This calculation procedure is identical to that used in the past years.

The 2021 crop differential schedules are applied to 2021 crop loan rates of 52 cents per pound for the base grade of upland cotton and 95 cents per pound for extra-long staple cotton. The 2018 Farm Bill stipulates that the loan rate for the base quality of upland cotton ranges between 45 and 52 cents per pound based on the simple average of the Adjusted World Price for the two marketing years immediately preceding the next crop planting. However, the established loan rate cannot be less than 98% of the preceding year's loan. The loan rate provided to an individual cotton bale is based on the quality of each individual bale as determined by USDA's Agricultural Marketing Service classing measurements.

These differentials are important to cotton producers because they are used to derive the actual loan rate for each bale of cotton – above (premium) or below (discount) the average per pound loan rate, depending on the grade or quality of the cotton. The actual loan rate is significant because it is used to determine any marketing loan gains and loan deficiency payments.

USDA's Commodity Credit Corporation adjusts cotton loan rates by these differentials so that cotton loan values reflect the differences in market prices for color, staple length, leaf, extraneous matter, micronaire, length uniformity and strength.

Loan rates are posted on the Farm Service Agency website. Commodity loans are part of a broader suite of programs available to cotton producers. To apply for loans or other programs, contact your local USDA service center.

FSA Outlines MAL and LDP 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 wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide you with interim financing after harvest to help you meet cash flow needs without having to sell your 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. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 2021 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 wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, 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.

To be considered eligible for an LDP, you must have form CCC-633EZ, Page 1 on file at your local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Marketing loan gains (MLGs) and loan deficiency payments (LDPs) are no longer subject to payment limitations, actively engaged in farming and cash-rent tenant rules.

Adjusted Gross Income (AGI) provisions state that if your total applicable three-year average AGI exceeds $900,000, then you’re not eligible to receive an MLG or LDP. You must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

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

Applying for Farm Storage Facility Loans

The Farm Service Agency’s (FSA) Farm Storage Facility Loan (FSFL) program provides low-interest financing to help you build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

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, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple 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 $50,000 can be secured by a promissory note/security agreement, loans between $50,000 and $100,000 may require additional security, and loans exceeding $100,000 require additional security.

You 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.

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

Applying for FSA Guaranteed Loans

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to $1,776,000. 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.

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

USDA Natural Resources Conservation Service Hiring in Texas, Deadline Extended to Aug. 4

The USDA Natural Resources Conservation Service (NRCS) is currently hiring several different field positions across Texas. Positions include soil conservationists, rangeland management specialists, soil scientists, and engineers.

Direct hire positions open in Texas can be found on USAJobs. Applications will be accepted until August 4, 2021. For more information, contact Tony Townsend at 254-742-9935 or tony.townsend@usda.gov.

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