April 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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Virginia FSA State Newsletter

Farm Service Agency Virginia State Office

We Will Get Through This Together

State Executive Director Message

Nivin A. Elgohary State Executive Director

1606 Santa Rosa Rd Suite 138 Richmond, VA 23229 Farm Service Agency (FSA) is still at work for American farmers and ranchers. We realize that you are facing unprecedented challenges. We know you are concerned about the future. I'm writing to assure you that FSA is doing everything we can to be a strong partner to you during this challenging time, including staying open for business so that our many helpful programs are available.

What do you need to do now? We recommend that you start by calling your local FSA office. Ask about the programs and loans

804-287-1503 855-621-5866 fax

Hours

Monday - Friday 7:30 a.m. - 4:30 p.m.

State Office Staff

Pete Adamson Chief Farm Loans

Brent L. Whitlock Chief Farm Programs

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Diane Lenoir-Giles Public Relations/Outreach Specialist

To find contact information for your local office go to www.fsa.usda.gov/xx

that may be beneficial to you. When you call your local FSA office – UPDATE YOUR CONTACT INFORMATION. If we do not have your current phone number, address, or email, it is nearly impossible for us to reach you to let you know about our services.

Sign up for FSA's texting service and receive on-the-spot program and loan information and deadlines. Enroll by texting "VA" and your county name, all as one word – example for Bland County farmers you will text VABLAND to 372669 (the same number for everyone).

Check out the Farm Loan Discovery Tool at Farmers.gov.

You can make your loan payments online using FSA's Ecommerce Tool.

Here are a few more helpful online resources:

The farmers.gov portal allows you to conduct business with USDA online. Visit farmers.gov to access your online farmers.gov account.

<u>USDA's eAuthentication FAQs page</u> offers answers to frequently asked questions regarding eAuthentication accounts.

<u>This farmers.gov blog post</u> offers information on a farmers.gov feature that enables USDA customers to manage farm loans online.

Remember, FSA is here to help you however we can. We will get through your challenges together. Give us a call today.

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 <u>fsa.usda.gov/crp</u>. To locate your local FSA office, visit farmers.gov/service-locator.

Agriculture Risk Coverage and Price Loss Coverage Enrollment for 2020

USDA's Farm Service Agency (FSA) encourages agricultural producers to enroll now in the Agriculture Risk Loss (ARC) and Price Loss Coverage (PLC) programs. The deadline to enroll for the 2020 crp year is June 30, 2020. By enrolling soon, producers can beat the rush as the deadline nears.

FSA offices have multiple programs competing for the time and attention of our staff. Because of the importance and complexities of the ARC and PLC programs; and to ensure FSA meets your program delivery expectations, please do not wait to start the enrollment process. Contact your FSA county office and make an appointment soon to ensure your elections are made and contracts signed well ahead of the deadline.

ARC and PLC provide financial protections to farmers from substantial drops in crop prices or revenues and are vital economic safety nets for most American farms.

The programs cover the following commodities: barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Farm owners have a one-time opportunity to update PLC payment yields that take effect beginning with crop year 2020. If the owner accompanies the producer to the office, the yield update and enrollments may be completed during the same office visit.

More Information

For more information on ARC and PLC, download our <u>program fact sheet</u> or our <u>2014-2018 farm bills comparison fact sheet</u>. Online ARC and PLC election decision tools are available at fsa.usda.gov/arc/plc. To enroll, contact your FSA county office for an appointment.

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.

USDA Opened Signup for Added Causes of Loss Under WHIP+ and Announced Disaster Assistance for Sugar Beet Producers

USDA announced additional disaster assistance available to agricultural producers, including producers impacted by drought and excess moisture as well as sugar beet growers. 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. USDA is also entering into agreements with six sugar beet processing cooperatives to distribute \$285 million to grower members of those cooperatives who experienced loss.

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.

Producers who suffered either of these types of loss in 2018 and/or 2019 can apply for WHIP+ assistance at 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+ Sugar Beet Loss Assistance

As also directed in the bill, USDA will provide \$285 million through sugar beet processing cooperatives to compensate grower members for sugar beet crop losses in 2018 and 2019. Details will be finalized in agreements between USDA and participating sugar beet processing cooperatives. Sugar beet producers who are members of these cooperatives and experienced

losses may contact their cooperative for more information about how this sugar beet crop assistance will be administered.

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 anytime during calendar year 2018 or 2019 will also be eligible.

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+.

Policy Updates for Acreage Reporting

The USDA Farm Service Agency (FSA) recently made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of "idle" and "fallow."

Reporting Cover Crops:

FSA made changes to the types of cover crops. Cover crop types can be chosen from the following four categories:

- Cereals and other grasses Any cover crop that is classified as a grass plant or cereal grain, and would include, but not be limited to, the following cover crops: cereal rye, wheat, barley, oats, black oats, triticale, annual ryegrass, pearl millet, foxtail millet (also called German, Italian or Hungarian millet), sorghum sudan grass, sorghum and other millets and grasses.
- **Legumes** Any cover crop that is classified as a legume, including, but not limited to, clovers, vetches, peas, sun hemp, cowpeas, lentils and other legumes.
- Brassicas and other broadleaves Any cover crop that is classified as a non-legume broadleaf, including, but not limited to, Brassicas such as radishes, turnips, canola,

- rapeseed, oilseed rape, and mustards, as well as other broadleaf plants such as phacelia, flax, sunflower, buckwheat, and safflower.
- Mixtures Mixes of two or more cover crop species planted at the same time, for example, oats and radishes.
- If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

Permitted Revision of Intended use After Acreage Reporting Date:

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 days to change the intended use. Producer share interest changes alone will not allow for revisions to intended use after the acreage reporting date. The revision must be performed by either the acreage reporting date or within 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee's satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

Acreage Reports:

In order to maintain program eligibility and benefits, producers must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

Reporting Grazing Allotments:

FSA offices can now accept acreage reports for grazing allotments. Producers will use form "FSA-578" to report grazing allotments as animal unit months (AUMs) using the "Reporting Unit" field. The local FSA office will need the grazing period start and end date and the percent of public land.

Definitions of Terms

FSA defines "idle" as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row. For example, the balance of a field that could not be planted due to moisture or a turn area that is not planted would be reported as idle.

Fallow is considered unplanted cropland acres which are part of a crop/fallow rotation where cultivated land that is normally planted is purposely kept out of production during a regular growing season. Resting the ground in this manner allows it to recover its fertility and conserve moisture for crop production in the next growing season.

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.

Reminder to FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm Service Agency would like to remind farm loan borrowers who have pledged real estate as security for their loans, of key items for maintaining loan collateral. It is required that borrowers must obtain prior consent, or approval, by either FSA, for direct loans, or by a guaranteed lender, for any

transaction affecting real estate security. Examples of these transactions include, but are not limited to:

- Leases of any kind;
- · Easements of any kind;
- Subordinations;
- Partial releases, and
- Sales

Failure to meet or follow the requirements set forth in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read <u>Your FSA Farm Loan Compass</u>.

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit <u>fsa.usda.gov</u>.

Selected Interest Rates for April 2020	
90-Day Treasury Bill	1.625
Farm Operating Loans — Direct	2.375
Farm Ownership Loans — Direct	3.00
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50
Emergency Loans	3.375

Farm Storage Facility Loans - (3 years)	0.750%
Farm Storage Facility Loans - (5 years)	0.750%
Farm Storage Facility Loans - (7 years)	1.000%
Farm Storage Facility Loans - (10 years)	1.000%
Farm Storage Facility Loans - (12 years)	1.125%
Commodity Loans 1996-Present	1.625%

Dates to Remember

May Deadline to enroll acreage in CRP Grass with FSA. Contact your local FSA County Office for the details.

- May Deadline to request 2019 crop stored corn, soybean, grain sorghum and cotton marketing assistance loans at your local FSA County Office.
- Jun. Deadline to enroll your farms in 2020 ARCPLC at your local FSA County Office. 30
- Jul. 2020 acreage reporting deadline for hay/pasture (acreage not enrolled in NAP), corn, cotton,
 cover crop, CRP, grain sorghum, peanuts, soybeans, tobacco vegetables and cover crops to your local FSA County Office.
- Cont. Enroll riparian buffer acreage in CREP/CCRP with FSA. Contact your local FSA County Office for the details.
- Cont. Producers with 2020 NAP coverage are reminded that a NAP covered crop must be reported to FSA 15 days before the beginning of harvest or grazing to your FSA County Office.
- Cont. Producers of hand-harvested crops and certain perishable crops with a 2020 NAP coverage must notify FSA within 72 hours of when a loss becomes apparent and within 72 hours after harvest is complete for the hand harvested crop to your local FSA County Office.
- Cont. Submit your AD-1026 prior to forest land being cleared for agricultural use and new ground (hay and pasture) to be planted to a row crop or vegetable.

For more information on bulletin subjects or details regarding your GovDelivery subscription with the Virginia FSA State Office, contact Diane Lenoir-Giles at diane.lenoir-giles@usda.gov or call at 804-287-1537.

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).