

May 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

Having trouble viewing this email? [View it as a Web page.](#)

May Topics

- [State Executive Director Message](#)
- [NRCS: Mitigation Banking Offers Win-Win for Virginia Producers and Wetlands](#)
- [USDA Reports Record Enrollment in Key Farm Safety-Net Programs](#)
- [FSA Reminds Producers of Ongoing Disaster Assistance Program Signup](#)
- [CLEAR30 the first USDA program to offer 30-year Signup](#)
- [USDA Announces Loan Maturity for Marketing Assistance Loans Now Extended to 12 Months](#)
- [CRP Continuous and CREP Enrollment Period](#)
- [Report Noninsured Crop Disaster Assistance Program \(NAP\) Losses](#)
- [FSA Offers Joint Financing Option on Direct Farm Ownership Loans](#)
- [Loan Servicing](#)
- [Selected Interest Rates for May 2020](#)
- [Dates to Remember](#)

Virginia FSA State Newsletter

**Farm Service Agency
Virginia State Office**

Nivin A. Elgohary
State Executive Director

1606 Santa Rosa Rd
Suite 138
Richmond, VA 23229

State Executive Director Message

Greetings!

We know farmers are resilient and the Farm Service Agency in Virginia will continue to deliver the disaster assistance, safety net, farm loan and conservation programs that keep American agriculture in business today and long into the future.

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act. This legislation

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

Helene McGann
Administrative Officer

Diane Lenoir-Giles
Public Relations/Outreach
Specialist

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

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

We are swiftly evaluating the authorities granted under the CARES Act and will leverage our programs to alleviate disruption as necessary. For the latest updates on the CARES Act, and other Frequently Asked Questions, visit usda.gov/coronavirus.

USDA is actively monitoring all agriculture commodity markets during the COVID-19 National Emergency. The U.S. food supply chain remains safe and secure and we are committed to ensuring America's farmers, ranchers, and producers get through this pandemic.

Our USDA Service Centers in Virginia will continue to be open for business by phone appointment only and field work will continue with appropriate social distancing. While our program delivery staff will continue to come into the office, they will be working with our producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the Farm Service Agency are required to call their Service Center to schedule a phone appointment.

I also encourage you to visit farmers.gov/coronavirus to keep up-to-date on temporary program flexibilities available as a result of the COVID-19 pandemic.

NRCS: Mitigation Banking Offers Win-Win for Virginia Producers and Wetlands

Wetland conservation has been an integral part of Virginia agriculture since the 1985 Farm Bill introduced new (Swampbuster) provisions tying program eligibility to mitigation or restoration of converted wetlands. Producers seeking benefits through most USDA programs must comply with these provisions by affirming they will not impact wetlands on their property.

USDA NRCS is now accepting proposals for up to \$5 million in funding to help eligible Indian tribes, state and local units of government, for-profit entities and nongovernmental organizations develop wetland mitigation banks that can assist agricultural producers in maintaining eligibility for USDA programs. Like other types of banks, the system works in credits and debits with restoration, creation or enhancement of wetlands in one area compensating for unavoidable impacts on wetlands at other locations. **Applications must be submitted through Grants.gov by 11:59 p.m. ET on July 6, 2020. Learn more about [wetland mitigation banking](#).**

USDA Reports Record Enrollment in Key Farm Safety-Net Programs

Producers signed a record 1.77 million contracts for the U.S. Department of Agriculture's Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2019 crop year, which is more than 107 percent of the total contracts signed compared with a 5-year average. USDA also reminds producers that **June 30** is the deadline to enroll in ARC and PLC for the 2020 crop year.

Producers interested in enrolling for 2020 should contact their FSA county office. Producers must enroll by **June 30** and make their one-time update to PLC payment yields by September 30.

FSA attributes the significant participation in the 2019 crop year ARC and PLC programs to increased producer interest in the programs under the 2018 Farm Bill and to an increase in eligible farms because of the selling and buying of farms and new opportunities for beginning farmers and military veterans with farms having 10 or fewer base acres. Enrollment for 2019 ended March 16.

USDA Service Centers, including FSA county offices, are open for business by phone only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

For more information on ARC and PLC, download the [program fact sheet](#) or the [2014-2018 farm bills comparison fact sheet](#). Online ARC and PLC election decision tools are available at www.fsa.usda.gov/arc-plc. To locate the nearest USDA Service Center, visit farmers.gov/service-center-locator.

FSA Reminds Producers of Ongoing Disaster Assistance Program Signup

The U.S. Department of Agriculture (USDA) has started making payments through the Wildfire and Hurricane Indemnity Program – Plus (WHIP+) to agricultural producers who suffered eligible losses because of drought or excess moisture in 2018 and 2019. Signup for these causes of loss opened March 23, and producers who suffered losses from drought (in counties designated D3 or above), excess moisture, hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires can still apply for assistance through WHIP+.

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 qualifying natural disaster events that occurred in calendar years 2018 or 2019. Also, losses located in a county not designated by the Secretary as a primary county may be eligible if a producer provides documentation showing that the loss was due to a qualifying natural disaster event.

For losses due to drought, a producer is eligible if any area of the county in which the loss occurred was rated D3, or extreme drought, or higher on the U.S. Drought Monitor during calendar years 2018 or 2019. Producers who suffered losses should contact their FSA county office.

In addition to the recently added eligible losses of drought and excess moisture, FSA will implement a WHIP+ provision for crop quality loss that resulted in price deductions or penalties when marketing crops damaged by eligible disaster events. To ensure an effective program for all impacted farmers, the Agency is currently gathering information on the extent of quality loss from producers and stakeholder organizations.

USDA Service Centers, including FSA county offices, are open for business by phone only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information on Service Centers can be found at farmers.gov/coronavirus, and more information on WHIP+ can be found at farmers.gov/whip-plus.

CLEAR30 the first USDA program to offer 30-year Signup

The U.S. Department of Agriculture's Farm Service Agency (FSA) will open signup this summer for CLEAR30, a new pilot program that offers farmers and landowners an opportunity to enroll in a 30-year Conservation Reserve Program (CRP) contract. This pilot is available to farmers and landowners with expiring water-quality practice CRP contracts in the Great Lakes and Chesapeake Bay regions. The program signup period is July 6 to Aug. 21, 2020.

The pilot is available in Delaware, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, Ohio, Pennsylvania, Virginia, West Virginia and Wisconsin. Eligible producers must have expiring Clean Lakes, Estuaries and Rivers (CLEAR) initiative contracts, including continuous CRP Cropland contracts with water-quality practices or marginal pasturelands CRP contracts devoted to riparian buffers, wildlife habitat buffers or wetland buffers.

The longer contracts will help ensure that practices remain in place for 30 years, which will help reduce sediment and nutrient runoff and help prevent algal blooms. Traditional CRP contracts run from 10 to 15 years.

Annual rental payment for landowners who enroll in CLEAR30 will be equal to the current Continuous CRP annual payment rate plus an inflationary adjustment of 27.5 percent, since CLEAR30 contracts will be for 30 years – much longer than the 10 to 15-year contracts for Continuous CRP offers.

Another unique program feature is that FSA will help producers maintain CLEAR30 contract acreage.

USDA Service Centers are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. Anyone wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency is required to call to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

USDA Announces Loan Maturity for Marketing Assistance Loans Now Extended to 12 Months

Agricultural producers now have more time to repay Marketing Assistance Loans (MAL) as part of the U.S. Department of Agriculture's implementation of the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. The loans now mature at 12 months rather than nine, and this flexibility is available for most commodities.

Effective immediately, producers of eligible commodities now have up to 12 months to repay their commodity loans. The maturity extension applies to nonrecourse loans for crop years 2018, 2019 and 2020. Eligible open loans must be in good standing with a maturity date of March 31, 2020, or later or new crop year (2019 or 2020) loans requested by September 30, 2020. All new loans requested by September 30, 2020, will have a maturity date 12 months following the date of approval.

The maturity extension for current, active loans will be automatically extended an additional 3 months. Loans that matured March 31 have already been automatically extended by USDA's Farm Service Agency (FSA). Producers who prefer a nine-month loan will need to contact their local FSA county office. Loans requested after September 30, 2020, will have a term of nine months.

Eligible commodities include barley, chickpeas (small and large), corn, cotton (upland and extra-long staple), dry peas, grain sorghum, honey, lentils, mohair, oats, peanuts, rice (long and medium grain), soybeans, unshorn pelts, wheat, wool (graded and nongraded); and other oilseeds, including canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sunflower seed, and sesame seed. Seed cotton and sugar are not eligible.

About MALs

Placing commodities under loan provides producers interim financing to meet cash flow needs without having to sell their commodities when market prices are low and allows producers to store production for more orderly marketing of commodities throughout the year.

These loans are considered nonrecourse because the commodity is pledged as loan collateral, and producers have the option of delivering the pledged collateral to the Commodity Credit Corporation (CCC) for repayment of the outstanding loan at maturity.

MAL Repayment

Under the new maturity provisions, producers can still repay the loan as they would have before the extension:

- repay the MAL on or before the maturity date;
- upon maturity by delivering or forfeiting the commodity to CCC as loan repayment; or
- after maturity and before CCC acquires the farm-stored commodity by repaying the outstanding MAL principle and interest.

Marketing Loan Gains

A Marketing Loan Gain occurs when a MAL is repaid at less than the loan principal. If market gain is applicable during the now-extended loan period, producers can receive a gain on the repayment made before the loan matures.

For more information on MALs, contact the nearest FSA county office. USDA Service Centers, including FSA county offices, are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

CRP Continuous and CREP 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 and CREP 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 and CREP are not subject to competitive bidding during specific periods.

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

Report Noninsured Crop Disaster Assistance Program (NAP) Losses

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

Eligible producers must have purchased NAP coverage for 2020 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

Producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent and after harvest is complete for the crop.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local FSA office or visit fsa.usda.gov/nap.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) [Direct Farm Ownership loans](#) are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a [Direct Farm Ownership Microloan](#) option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a Joint Financing loan is \$600,000 and the repayment period for the loan is up to 40 years.

To be eligible, the operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about FSA Loan programs, contact your local FSA office or visit fsa.usda.gov. To find your local FSA office, visit 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.

Selected Interest Rates for May 2020

90-Day Treasury Bill	0.750%
Farm Operating Loans — Direct	1.75%

Farm Ownership Loans — Direct	2.625%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	2.75%
Farm Storage Facility Loans - (3 years)	0.250%
Farm Storage Facility Loans - (5 years)	0.375%
Farm Storage Facility Loans - (7 years)	0.625%
Farm Storage Facility Loans - (10 years)	0.750%
Farm Storage Facility Loans - (12 years)	0.750%
Commodity Loans 1996-Present	1.125%

Dates to Remember

- May 31 Deadline to request 2019 crop stored corn, soybean, grain sorghum and cotton marketing assistance loans at your local FSA County Office.
- Jun. 30 Deadline to enroll your farms in 2020 ARCPLC at your local FSA County Office.
- Jul. 15 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. 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.
- Cont. Now is the time to plan your 2020 on farm grain, hay or cold storage needs. Consider FSFL for your storage needs. Contact your local FSA Office for more details.
-

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).