

September 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Virginia FSA State Newsletter

**Farm Service Agency
Virginia State Office**

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State Executive Director Article

**Farm Service Agency Promotes Urban Agriculture in
Richmond, VA**

Over the last 30 years, urban farming has grown in popularity and become an important part of Virginia's diverse agriculture. Urban farms have provided a way to enhance food security in suburban and urban areas, through use of underutilized urban areas like roof tops and vacant community lots. As urban farming continues to

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Hours

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increase in popularity, Farm Service Agency is doing what we can to provide programs and systems to help provide a more stable future for urban farming.

Farm Service Agency has announced New County Committees focused exclusively on urban agriculture. So far, USDA has selected five areas across the nation to launch this new urban farming system. Richmond, VA has been selected as one of the five areas for the New County Committee. 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.

Nomination for Urban Committees begin on September 8, 2020 and will run through October 2, 2020.

Urban farmers who participate or cooperate in a Farm Service Agency programs in New Kent County may nominate themselves or others as a candidate. Beginning farmers, women, and minority producers or organizations are encouraged to make a nomination.

To be considered eligible for election, a producer must sign an FSA-669A Nomination Form. The form and other information about Farm Service Agency County Committee Elections are available [here](#). All nomination forms for the Urban County Committees must be postmarked or received in your local Farm Service Agency Office by October 2, 2020.

For more information about Farm Service Agency's New County Committee for Urban Farming [click here](#).

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One-Time PLC Yield Updates – Deadline September 30

Farm owners have a one-time opportunity to update PLC yields of covered commodities on the farm, regardless of Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program election. The deadline to request a PLC yield update is September 30, 2020.

The updated yield will be equal to 90 percent of the average yield per planted acre in crop years 2013-2017 (excluding any year where the applicable covered commodity was not planted), subject to the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for the covered commodity. If the reported yield in any year is less than 75 percent of the 2013-2017 average county yield, then the yield will be substituted with 75 percent of the county average yield.

The chart below provides the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for each covered commodity.

Covered Commodity National Yield Factor

| | |
|---------------------|--------|
| Barley | 0.9437 |
| Canola | 0.9643 |
| Chickpeas, Large | 1.0000 |
| Chickpeas, Small | 0.9760 |
| Corn | 0.9000 |
| Crambe | 1.0000 |
| Flaxseed | 1.0000 |
| Grain Sorghum | 0.9077 |
| Lentils | 1.0000 |
| Mustard Seed | 0.9460 |
| Oats | 0.9524 |
| Peanuts | 0.9273 |
| Peas, Dry | 0.9988 |
| Rapeseed | 1.0000 |
| Rice, Long | 0.9330 |
| Rice, Medium | 0.9887 |
| Rice, Temp Japonica | 0.9591 |
| Safflower | 1.0000 |
| Seed Cotton | 0.9000 |
| Sesame Seed | 0.9673 |
| Soybeans | 0.9000 |
| Sunflower Seed | 0.9396 |
| Wheat | 0.9545 |

It is the owner's choice whether to update or keep existing PLC yields. If a yield update is not made, then no action is required to maintain the existing PLC yield. An existing or updated PLC yield will be maintained and effective for crop years 2020 through 2023 (life of the 2018 Farm Bill).

PLC yields may be updated on a covered commodity-by-covered commodity basis using FSA form [CCC-867](#).

For more information, reference resources and decision tools, visit [farmers.gov/arc-plc](#). Contact your local Farm Service Agency Office for assistance – [farmers.gov/service-center-locator](#).

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, the request will be denied. Although there are exceptions regarding the Stafford Act and emergencies, it's important to wait until you receive written approval of your project proposal before starting any actions.

Applications cannot be approved until FSA has copies of all permits and plans. Contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Update Your Records

FSA is cleaning up our producer record database and needs your help. Please report any changes of address, zip code, phone number, email address or an incorrect name or business name on file to our office. You should also report changes in your farm operation, like the addition of a farm by lease or purchase. You should also report any changes to your operation in which you reorganize to form a Trust, LLC or other legal entity.

FSA and NRCS program participants are required to promptly report changes in their farming operation to the County Committee in writing and to update their *Farm Operating Plan* on form CCC-902.

To update your records, contact your County USDA Service Center.

USDA Continues Conservation Planning and Programs - NRCS Services Available

While Virginia employees continue to staff our 41 service centers, these offices remain closed to the general public. The NRCS team is still serving clients via phone appointments, e-mail and online tools as well as making farm visits with appropriate social distancing to provide conservation planning services and help producers apply for financial assistance through Farm Bill programs. Clients can track payments, report completed practices, request conservation assistance and electronically sign documents through the [Conservation Client Gateway](#) (CCG), which can be found

at www.nrcs.usda.gov. The CCG system will be retired from service later this fall, but all your data will continue to be available and secure through farmers.gov using your existing CCG account login information.

FSA has mailed CSP-GCI letters to eligible participants who will have until October 16 to apply for the first batching period at their local NRCS office. We expect to offer three signup periods in FY21. CSP payments will be made much earlier than usual this year with a November 6 deadline for 2020 payments. All 2016 through 2019 contract participants should be on the lookout for a notification to submit their requested payment year. Visit farmers.gov/coronavirus for the most current information on available services and contacts, and call your local NRCS field office for information on program deadlines.

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.

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 three 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 nine-month term.

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.

For more information on MALs, contact your County USDA Service Center or visit www.fsa.usda.gov.

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 County USDA Service Center at or visit fsa.usda.gov/crp.

USDA Encourages You to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The Farm Service Agency encourages you to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available. You can determine if crops are eligible for federal crop insurance or NAP by [visiting the RMA website](#).

NAP offers higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the “buy-up” option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties.

Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

Deadlines for coverage vary by state and crop. contact your County USDA Service Center or visit fsa.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at [USDA's online Agent Locator](#). You can use the [USDA Cost Estimator](#) to predict insurance premium costs.

Preauthorized Debit Available for Farm Loan Borrowers

USDA's Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful if you use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at rd.usda.gov/publications/regulations-guidelines. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three-month period, the preauthorized debit agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your County USDA Service Center or visit fsa.usda.gov.

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants and beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA offers Microloans through the direct loan program. Microloans focus on the financing needs of small, beginning farmer, niche, and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, contact your County USDA Service Center or visit fsa.usda.gov/farmloans.

Selected Interest Rates for September 2020

| | |
|---|--------|
| 90-Day Treasury Bill | 0.125% |
| Farm Operating Loans — Direct | 1.250% |
| Farm Ownership Loans — Direct | 2.250% |
| Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher | 1.50% |
| Emergency Loans | 2.250% |
| Farm Storage Facility Loans - (7 years) | .5% |
| Sugar Storage Facility Loans | .875% |
| Commodity Loans 1996-Present | 1.125% |

Dates to Remember

| | |
|-------|--|
| 9/14 | Seafood Trade Relief Program sign-up begins |
| 9/30 | ARC/PLC Yield Update Deadline |
| 9/30 | Deadline to request extended 12-month MAL maturity due to COVID-19 |
| 9/30 | 2021 NAP small grains and value loss Application for Coverage deadline |
| 10/12 | 2021 DMC Registration |
| Cont. | Continuous CRP/CREP Sign-up |

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.

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