November 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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Virginia FSA State Newsletter

Farm Service Agency Virginia State Office

State Executive Director Article

Nivin A. Elgohary
State Executive Director

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USDA has announced more great news for Virginia farmers!

There are now more financial benefits for you through the Coronavirus Food Assistance Program 2 (CFAP2). CFAP 2 provides producers with financial assistance that gives them the

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Hours

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

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

ability to absorb some of the increased marketing costs associated with the COVID-19 pandemic.

Applying is so easy!

- 1. Call your local FSA Office Find your local FSA Office here: farmers.gov/service-center-locator
- 2. Check Out CFAP 2 Online at: https://www.farmers.gov/cfap
- 3. Call the CFAP hotline (877) 508-8364

To find out if you are eligible for CFAP 2, check out The CFAP 2 Eligible Commodities Finder at: https://www.farmers.gov/cfap/tool

The deadline to apply for CFAP 2 is **December 11, 2020**.

Thank you for all you are doing to keep agriculture strong in Virginia and America!

USDA Launches New Farmers.gov Features to Help Farmers Hire Workers

U.S. Department of Agriculture (USDA) announced new features on the <u>farmers.gov</u> website designed to help facilitate the employment of H-2A workers.

USDA's goal is to help farmers navigate the complex H-2A program that is administered by Department of Labor, Department of Homeland Security, and the State Department so hiring a farm worker is an easier process.

The primary new H-2A features on Farmers.gov include:

- A real-time dashboard that enables farmers to track the status of their eligible employer application and visa applications for temporary nonimmigrant workers;
- Streamlining the login information so if a farmer has an existing login.gov account they can save multiple applications tracking numbers for quick look-up at any time;
- Enables easy access to the Department of Labor's (DOL) Foreign Labor Application Gateway (FLAG);

- Allows farmers to track time-sensitive actions taken in the course of Office of Foreign Labor Certification's (OFLC) adjudication of temporary labor certification applications;
- Allowing for farmers to access all application forms on-line.

All information can be found at www.farmers.gov/manage/h2a.

In 2018, <u>Secretary Perdue unveiled farmers.gov</u>, a dynamic, mobile-friendly public website combined with an authenticated portal where customers can apply for programs, process transactions and manage accounts. With feedback from customers and field employees who serve those customers, <u>farmers.gov</u> delivers farmer-focused features through an agile, iterative process to deliver the greatest immediate value to America's agricultural producers – helping farmers and ranchers do right, and feed everyone.

More than \$7 Billion Paid in Second Round of USDA Coronavirus Food Assistance Program

USDA announced that in the first month of the application period, the Farm Service Agency (FSA) approved more than \$7 billion in payments to producers in the second round of the Coronavirus Food Assistance Program. CFAP 2 provides agricultural producers with financial assistance to help absorb some of the increased marketing costs associated with the COVID-19 pandemic.

Since CFAP 2 enrollment began on September 21, FSA has approved more than 443,000 applications. The top five states for payments are Iowa, Nebraska, Minnesota, Illinois and Kansas. USDA has released a <u>data dashboard</u> on application progress and program payments and will release further updates each Monday at 2:00 p.m. ET. The report can be viewed at <u>farmers.gov/cfap</u>.

Through CFAP 2, USDA is making available up to \$14 billion for agricultural producers who continue to face market disruptions and associated costs because of COVID-19. CFAP 2 is a separate program from the first iteration of CFAP (CFAP 1). Farmers and ranchers who participated in CFAP 1 will not be automatically enrolled and must complete a new application for CFAP 2. FSA will accept CFAP 2 applications through December 11, 2020.

Eligible Commodities

CFAP 2 supports eligible producers of row crops, livestock, specialty crops, dairy, aquaculture, and many other commodities, including many that were ineligible for CFAP 1. FSA's <u>CFAP 2 Eligible</u> <u>Commodities Finder</u> makes finding eligible commodities and payment rates simple. Access this tool and other resources at farmers.gov/cfap.

Getting Help from FSA

New customers seeking one-on-one support with the CFAP 2 application process can call 877-508-8364 to speak directly with a USDA employee ready to offer general assistance. This is a recommended first step before a producer engages the team at the FSA county office at their local USDA Service Center.

FSA offers multiple options for producers to apply for CFAP 2. Producers with an eAuthentication account can apply online through the CFAP 2 Application Portal. Also available is a payment calculator and application generator that is an Excel workbook that allows producers to input information specific to their operation to determine estimated payments and populate the application

form, which can be printed, signed, and submitted to the local FSA office. Producers can also download the CFAP 2 application and other eligibility forms from farmers.gov/cfap.

Producers of acreage-based commodities will use acreage and yield information provided by FSA through the annual acreage reporting process. Producers have the option to complete their application by working directly with their local FSA staff or online through the CFAP 2 Application Portal.

CFAP 2 is not a loan program, and there is no cost to apply.

More Information

To find the latest information on CFAP 2, visit farmers.gov/CFAP or call 877-508-8364.

Enrollment Begins for Agriculture Risk Coverage and Price Loss Coverage Programs for 2021

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The signup period opened Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than \$5 billion in payments are in the process of going out to producers who signed up for the 2019 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

Covered commodities include 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.

USDA Issues CRP Payments

The U.S. Department of Agriculture (USDA) is issuing \$1.68 billion in payments to agricultural producers and landowners for the 21.9 million acres enrolled in the Conservation Reserve Program (CRP), which provides annual rental payments for land devoted to conservation purposes.

Through CRP, farmers and ranchers establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality, and enhance wildlife habitat on cropland. Farmers and ranchers who participate in CRP help provide numerous benefits to the nation's environment and economy.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the

years, providing many conservation and economic benefits. The program marks its 35-year anniversary this December. Program successes include:

- Preventing more than 9 billion tons of soil from eroding, which is enough soil to fill 600 million dump trucks;
- Reducing nitrogen and phosphorous runoff relative to annually tilled cropland by 95 and 85 percent, respectively;
- Sequestering an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road;
- Creating more than 3 million acres of restored wetlands while protecting more than 175,000 stream miles with riparian forest and grass buffers, which is enough to go around the world seven times; and
- Benefiting bees and other pollinators and increasing populations of ducks, pheasants, turkey, bobwhite quail, prairie chickens, grasshopper sparrows, and many other birds.
- For more information on CRP, visit fsa.usda.gov or contact your local FSA county office.
- CRP participants with contracts effective beginning on October 1, 2020, will receive their first annual rental payment in October 2021.
- The successes of CRP contribute to USDA's <u>Agriculture Innovation Agenda</u> and its goal of reducing the environmental footprint of U.S. agriculture by half by 2050. Earlier this year, Secretary Perdue announced the department-wide initiative to align resources, programs, and research to position American agriculture to better meet future global demands.

Dairy Margin Coverage Program Enrollment for 2021 Opens Oct. 13

The U.S. Department of Agriculture (USDA) will begin accepting applications for the <u>Dairy Margin</u> Coverage (DMC) program on Tuesday, October 13, 2020 for 2021 enrollment.

Signup runs through Dec. 11, 2020. DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. DMC payments triggered for seven months in 2019 and three months so far in 2020. More than 23,000 operations enrolled in DMC in 2019, and more than 13,000 in 2020.

To determine the appropriate level of coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The <u>decision tool</u> is designed to assist producers with calculating total premium costs and administrative fees associated with participation in DMC. An <u>informational video</u> is available, too.

Improvements to the decision tool, made in cooperation with representatives from the University of Minnesota and University of Wisconsin, include historical analysis that illustrates what DMC indemnity payments might have been had the program been available over the previous two decades. The analysis indicates that over the course of time, DMC payments made to producers exceed premiums paid. These decision tool enhancements provide a more comprehensive decision support experience for producers considering DMC.

In addition to DMC, USDA offers a variety of programs that have helped dairy producers, including insurance, disaster assistance, and conservation programs. Most recently, the Coronavirus Food Assistance Program 1 provided \$1.75 billion in direct relief to dairy producers who faced price declines and additional marketing costs due to COVID-19 in early 2020. Now, signup is underway

for the Coronavirus Food Assistance Program 2, which provides another round of assistance for dairy producers and many other eligible producers.

For more information, visit <u>farmers.gov DMC webpage</u>, or contact your local USDA Service Center. To locate your local FSA office, visit <u>farmers.gov/service-center-locator</u>.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will prescreen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors are required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

USDA Supports U.S. Seafood Industry Impacted by Retaliatory Tariffs

U.S. Secretary of Agriculture Sonny Perdue announced that the U.S. Department of Agriculture (USDA) will provide approximately \$530 million to support the U.S. seafood industry and commercially licensed fishermen impacted by retaliatory tariffs from foreign governments. The funding will be provided through the Seafood Trade Relief Program and funded through the Commodity Credit Corporation (CCC), administered by USDA's Farm Service Agency (FSA).

The Seafood Trade Relief Program funding will support the following seafood types:

- Atka mackerel
- Crab (Dungeness, King, Snow, Southern Tanner)
- Flounder
- Geoduck
- Goosefish
- Herrings
- Lobster
- Pacific Cod
- Pacific Ocean Perch
- Pollock
- Sablefish
- Salmon
- Sole
- Squid
- Tuna
- Turbot

Fishermen can sign-up for relief through the program from September 14, 2020 to December 14, 2020. Fishermen should apply through their local USDA Service Center. To find your local Service Center, visit www.farmers.gov/service-center-locator. The application can be found at www.farmers.gov/seafood.

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.

Signups Underway for 2021 Conservation Programs

USDA's Natural Resources Conservation Service (NRCS) is now accepting FY2021 applications for three Farm Bill programs that have been updated to offer more benefits to Virginia producers looking to better manage their farm, forest and wetlands.

The Agricultural Conservation Easement Program (ACEP) provides opportunities to protect productive working lands and restore or enhance wetlands. While producers have to work through a partner for Agricultural Land Easements (ALEs), they can contact their local NRCS office to apply for Wetland Reserve Easements (WREs). Eligible properties include farmed wetlands that can be successfully and economically restored; former or degraded wetlands with a history of agricultural use; wetlands farmed under natural conditions and "prior-converted" cropland that was converted on or before Dec. 23, 1985. NRCS pays 100 percent of the restoration costs for permanent easements and 50 to 75 percent of those costs for 30-year WREs.

The Conservation Stewardship Program (CSP) and Environmental Quality Incentives Program (EQIP) offer numerous options for improving land management and now have common

applications, contracting operations, planning, practices and related administrative procedures. Participating producers can get increased payment rates for adopting cover crop rotations and incentive payments to better support locally led conservation needs. New CSP incentives like supplemental funding for advanced grazing management and a one-time payment for developing a comprehensive conservation plan can provide added benefits. Existing CSP participants may also be able to renew their contracts in the first half of the fifth year of their five-year contract.

In FY2020, Virginia NRCS obligated \$24.6 million in EQIP funds for 441 contract participants who enrolled a total of 65,672 acres. The agency obligated an additional \$7.3 million for 224 CSP contracts on 64,590 acres. NRCS is currently monitoring 142 active easements in Virginia with another 10 in the acquisition process, and 3 closed WRE being restored.

ACEP and EQIP applications will be accepted until **Dec. 18, 2020**. Application deadlines have not been announced for CSP because guidance is still pending. Interested producers must have farm records established with FSA to apply for NRCS programs. Contact your local NRCS office to discuss options available for your operation.

Reminders for FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm loan borrowers who have pledged real estate as security for their Farm Service Agency (FSA) direct or guaranteed loans are responsible for maintaining loan collateral. Borrowers must obtain prior consent or approval from FSA or the guaranteed lender for any transaction that affects real estate security. These transactions include, but are not limited to:

- Leases of any kind
- Easements of any kind
- Subordinations
- Partial releases
- Sales

Failure to meet or follow the requirements 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 Your FSA Farm Loan Compass. .

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be successful. FSA staff will provide guidance and counsel from the loan application process through the borrower's graduation to commercial credit. 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

If a farm loan borrower can't 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, contact your County USDA Service Center or visit <u>fsa.usda.gov</u>.

Selected Interest Rates for November 2020	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	1.125%
Farm Ownership Loans — Direct	2.375%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	2.25%
Farm Storage Facility Loans - (7 years)	0.500%

Dates to Remember

- 12/11 Signup Deadline for Coronavirus Food Assistance Program 2.0
- 12/11 Signup and Election Deadline for 2021 Dairy Margin Coverage Program
- 12/14 Signup Deadline for Seafood Trade Relief Program

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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