

March 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Arkansas FSA Newsletter

Arkansas Farm Service Agency

700 West Capitol, Room 3416
Little Rock, Arkansas 72201
Phone: 501-301-3000
www.fsa.usda.gov/ar

State Committee: Chairman:
Ron Chastain

Members:
Gary Churchill, Sarah Dunklin,
Nathan Reed, & Vivian Wright

State Committee Meeting:
2nd Wednesday and
Thursday of each Quarter

State Executive Director:
David Curtis

Executive Officer:
James Culpepper

Administrative Officer:
Sharon Baker

Farm Programs:
Terri McManus

Farm Loan Programs:
Lori Lavender

Message from the SED

Monday, March 16 is the Last Day to Schedule an Appointment with Your FSA Office For ARC/PLC Enrollment. For more information download our program fact sheet or our 2014-2018 farm bills comparison fact sheet. Online election decision tools are available at www.fsa.usda.gov/arc-plc.

Additional disaster assistance is available for 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.

Starting in 2020, producers will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss (ELAP). Also, 2020 CRP Grasslands signup will run from March 16, 2020 to May 15, 2020.

If you are interested in employment with FSA, please visit the [USAJobs Website](#) and/or monitor your local Newspaper. Applications must be completed through [USAJobs Website](#). USDA is an equal opportunity provider, employer, and lender.

Congratulations to all newly appointed COC Advisors. Thank you for your willingness to serve.

For additional information please contact your local County Office. To find the nearest location to you, please visit farmers.gov/service-locator.

Some see dirt, others see potential. Until next month...

Please contact your local FSA Office for questions specific to your operation or county. To find contact information for your local office go to www.fsa.usda.gov/ar.

USDA Announces Details of Risk Management Programs for Hemp Producers

The U.S. Department of Agriculture (USDA) today announced the availability of two programs that protect hemp producers' crops from natural disasters. A pilot hemp insurance program through Multi-Peril Crop Insurance (MPCI) provides coverage against loss of yield because of insurable causes of loss for hemp grown for fiber, grain or Cannabidiol (CBD) oil and the Noninsured Crop Disaster Assistance Program (NAP) coverage protects against losses associated with lower yields, destroyed crops or prevented planting where no permanent federal crop insurance program is available. Producers may apply now, and the deadline to sign up for both programs is March 16, 2020.

Noninsured Crop Disaster Assistance Program

NAP provides coverage against loss for hemp grown for fiber, grain, seed or CBD for the 2020 crop year where no permanent federal crop insurance program is available.

NAP basic 50/55 coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Buy-up coverage is available in some cases. The 2018 Farm Bill allows for buy-up levels of NAP coverage from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Premiums apply for buy-up coverage.

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

Multi-Peril Crop Insurance Pilot Insurance Program

The MPCI pilot insurance is a new crop insurance option for hemp producers in select counties of 21 states for the 2020 crop year. The program is available for eligible producers in certain counties in Alabama, California, Colorado, Illinois, Indiana, Kansas, Kentucky, Maine, Michigan, Minnesota, Montana, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Tennessee, Virginia and Wisconsin. Information on eligible counties is accessible through the USDA Risk Management Agency's Actuarial Information Browser.

Among other requirements, to be eligible for the pilot program, a hemp producer must have at least one year of history producing the crop and have a contract for the sale of the insured hemp. In addition, the minimum acreage requirement is 5 acres for CBD and 20 acres for grain and fiber. Hemp will not qualify for replant payments or prevented plant payments under MPCI.

This pilot insurance coverage is available to hemp growers in addition to revenue protection for hemp offered under the Whole-Farm Revenue Protection plan of insurance. Also, beginning with the 2021 crop year, hemp will be insurable under the Nursery crop insurance program and the Nursery Value Select pilot crop insurance program. Under both nursery programs, hemp will be insurable if grown in containers and in accordance with federal

regulations, any applicable state or tribal laws and terms of the crop insurance policy.

Eligibility Requirements

Under a regulation authorized by the 2018 Farm Bill and issued in October 2019, all growers must have a license to grow hemp and must comply with applicable state, tribal or federal regulations or operate under a state or university research pilot, as authorized by the 2014 Farm Bill.

Producers must report hemp acreage to FSA after planting to comply with federal and state law enforcement. The Farm Bill defines hemp as containing 0.3 percent or less tetrahydrocannabinol (THC) on a dry-weight basis. Hemp having THC above the federal statutory compliance level of 0.3 percent is an uninsurable or ineligible cause of loss and will result in the hemp production being ineligible for production history purposes.

For more information on USDA risk management programs for hemp producers, visit farmers.gov/hemp to read our [frequently asked questions](#). For more information on the U.S. Domestic Hemp Production Program, visit USDA's Agricultural Marketing Services' website to read their [frequently asked questions](#).

USDA Opens Signup March 23 for Added Causes of Loss Under WHIP+ and Announces Disaster Assistance

USDA announced additional disaster assistance available to agricultural producers, including producers impacted by drought and excess moisture. Through WHIP+, USDA is helping producers recover from losses related to 2018 and 2019 natural disasters.

USDA's Farm Service Agency (FSA) will open signup on March 23 for producers to apply for eligible losses of drought (D3 or above) and excess moisture.

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.

Beginning March 23, 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+.

USDA Announces Updates for Honeybee Producers

The U.S. Department of Agriculture's Farm Service Agency (FSA) announced updates to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). These updates include changes required by the 2018 Farm Bill as well as discretionary changes intended to improve the administration of the program and clarify existing program requirements. ELAP was previously administered based on FSA's fiscal year but will now run according to the calendar year. Producers are still required to submit an application for payment within 30 calendar days of the end of the program year. This is not a policy change but will affect the deadline. The sign-up deadline for calendar year 2020 losses is January 30, 2021.

Starting in 2020, producers will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss. This change provides consistency between ELAP and the Noninsured Crop Disaster Assistance Program, which also has a 15-day notice of loss period for honey. For other covered losses, including livestock feed, grazing and farm-raised fish losses, the notice of loss deadline for ELAP will remain 30 days from when the loss is first apparent to the producer.

Program participants who were paid for the loss of a honeybee colony or hive in either or both of the previous two years will be required to provide additional documentation to substantiate how current year inventory was acquired.

If the honeybee colony loss incurred was because of Colony Collapse Disorder, program participants must provide a producer certification that the loss was a direct result of at least three of the five symptoms of Colony Collapse Disorder, which include:

- the loss of live queen and/or drone bee populations inside the hives;
- rapid decline of adult worker bee population outside the hives, leaving brood poorly or completely unattended;

- absence of dead adult bees inside the hive and outside the entrance of the hive;
- absence of robbing collapsed colonies; and
- at the time of collapse, varroa mite and Nosema populations are not at levels known to cause economic injury or population decline.

For honeybees, ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.

ELAP also provides emergency assistance to eligible producers of livestock and farm-raised fish including for feed and grazing losses. It covers losses because of eligible adverse weather or loss conditions, including blizzards and wildfires on federally managed lands. ELAP also covers losses resulting from the cost of transporting water to livestock due to an eligible drought.

For more information on ELAP visit farmers.gov/recover or contact your FSA County Office. To locate your local FSA office, visit farmers.gov/service-locator.

Farm Service Agency Expands Payment Options

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) expanded its payment options to now accept debit cards and Automated Clearing House (ACH) debit. These paperless payment options enable FSA customers to pay farm loan payments, measurement service fees, farm program debt repayments and administrative service fees, as well as to purchase aerial maps.

Previously, only cash, check, money orders and wires were accepted. By using debit cards and ACH debit, transactions are securely processed from the customer's financial institution through [Pay.gov](https://pay.gov), the U.S. Treasury's online payment hub.

While traditional collection methods like cash and paper checks will continue, offering the new alternatives will improve effectiveness and convenience to customers while being more cost effective

This marks the beginning of a multi-phased roll-out of new payment options for USDA customers. Ultimately, payment option flexibility will be extended to allow farmers and producers to use debit cards and ACH debit payments to make payments for all FSA programs, including farm storage facility loan repayments, farm loan facility fees, marketing assistance loan repayments, Dairy Margin Coverage (DMC) administrative fees and premiums and Noninsured Crop Disaster Assistance Program (NAP) fees.

To learn more, contact your [FSA county office](#), visit farmers.gov, or download the "[Make Your FSA Payments Instantly](#)" fact sheet.

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 [Your FSA Farm Loan Compass](#). **Submit Loan Requests for Financing Early**

The Farm Loan team in Name County is already working on operating loans for spring 20XX so it is important that potential borrowers submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller operations and non-traditional operations, can be used for operating expenses, starting a new agricultural enterprise, purchasing equipment, and other needs associated with a farming operation. The staff at the Name County FSA office can provide more details on farm operating and microloans and provide loan applications. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, or for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

Please call the Name County office if you have questions about any of the loans available through FSA.

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 www.fsa.usda.gov.

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Farm Safety

Flowing grain in a storage bin or gravity-flow wagon is like quicksand — it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical operation of grain handling equipment also presents a real danger. Augers, power take offs, and other moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive crop year and that begins with putting safety first.

ASKFSA

Are you looking for answers to your FSA questions? Then ASK FSA at askfsa.custhelp.com.

AskFSA is an online resource that helps you easily find information and answers to your FSA questions no matter where you are or what device you use. It is for ALL customers, including underserved farmers and ranchers who wish to be enrolled in FSA loans, farm, and conservation programs.

Through AskFSA you can:

- Access our knowledge base 24/7
- Receive answers to your questions faster
- Submit a question and receive a timely response from an FSA expert

- Get notifications when answers important to you and your farming operation are updated

Customize your account settings and view responses at any time

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).

Persons with disabilities who require accommodations to attend or participate in this meeting/function/event should contact their local County Executive Director or Rhonda O'Guinn at 501-301-3018, (TDD# or Federal Relay Service at 1-800-877-8339, and rhonda.oguinn@usda.gov).