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

The Farm Service Agency encourages producers 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.

Producers are reminded that crops not covered by insurance may be eligible for NAP. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

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, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.asp x?utm_medium=email&utm_source=govdelivery.

The 2018 Farm Bill reinstates 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.

For Alaska, 2021 Fall deadlines for crop year 2022 coverage:

The following crops in Alaska have a NAP application deadline of September 01, 2021: Floriculture (Peonies), Aquaculture, Turf Grass

The following crops in Alaska have a NAP application deadline of September 30, 2021: Perennial Grass Forage (Perennial Grasses intended use seed), Honey

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to http://offices.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: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost

Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx?utm_medium=email&utm_source=govdelivery, to predict insurance premium costs.

USDA Announces Pandemic Assistance for Timber Harvesters and Haulers

The U.S. Department of Agriculture (USDA) is providing up to \$200 million to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19 as part of USDA's Pandemic Assistance for Producers initiative. Loggers and truckers can apply for assistance through USDA's Farm Service Agency (FSA) July 22 through Oct. 15, 2021. The Pandemic Assistance for Timber Harvesters and Haulers program (PATHH) is administered by FSA in partnership with the U.S. Forest Service.

The Consolidated Appropriations Act, 2021, authorized this critical assistance for the timber industry. Timber harvesting and hauling businesses that have experienced a gross revenue loss of at least 10% during the period of Jan. 1 and Dec. 1, 2020, compared to the period of Jan. 1 and Dec. 1, 2019, are encouraged to apply.

Program Details

To be eligible for payments, individuals or legal entities must be a timber harvesting or timber hauling business where 50% or more of its gross revenue is derived from one or more of the following:

- · Cutting timber.
- Transporting timber.
- Processing of wood on-site on the forest land (chipping, grinding, converting to biochar, cutting to smaller lengths, etc.).

Payments will be based on the applicant's gross revenue received from Jan. 1, 2019, through Dec. 1, 2019, minus gross revenue received from Jan. 1, 2020, through Dec. 1, 2020, multiplied by 80%. FSA will issue an initial payment equal to the lesser of the calculated payment amount or \$2,000 as applications are approved. A second payment will be made after the signup period has ended based upon remaining PATHH funds.

The maximum amount that a person or legal entity may receive directly is \$125,000.

Applying for Assistance

Loggers and truckers can apply for PATHH beginning on July 22 by completing form FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers Program application, and certifying their gross revenue for 2019 and 2020 on the application. Additional documentation may be required. Visit farmers.gov/pathh for more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find a local FSA office, loggers and truckers can visit farmers.gov/service-locator. They can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

USDA to Provide Pandemic Assistance to Livestock Producers for Animal Losses

Livestock and poultry producers who suffered losses during the pandemic due to insufficient access to processing can apply for assistance for those losses and the cost of depopulation and disposal of the animals. The U.S. Department of Agriculture (USDA) Secretary Vilsack announced the Pandemic Livestock Indemnity Program (PLIP) in [recorded] remarks at the National Pork Industry Conference in Wisconsin Dells, WI. The announcement is part of USDA's Pandemic Assistance for Producers initiative. Livestock and poultry producers can apply for assistance through USDA's Farm Service Agency (FSA) July 20 through Sept. 17, 2021.

The Consolidated Appropriations Act, 2021, authorized payments to producers for losses of livestock or poultry depopulated from March 1, 2020 through December 26, 2020, due to insufficient processing access as a result of the pandemic. PLIP payments will be based on 80% of the fair market value of the livestock and poultry and for the cost of depopulation and disposal of the animal. Eligible livestock and poultry include swine, chickens and turkeys.

PLIP Program Details

Eligible livestock must have been depopulated from March 1, 2020, through December 26, 2020, due to insufficient processing access as a result of the pandemic. Livestock must have been physically located in the U.S. or a territory of the U.S. at the time of depopulation.

Eligible livestock owners include persons or legal entities who, as of the day the eligible livestock was depopulated, had legal ownership of the livestock. Packers, live poultry dealers and contract growers are not eligible for PLIP.

PLIP payments compensate participants for 80% of both the loss of the eligible livestock or poultry and for the cost of depopulation and disposal based on a single payment rate per head. PLIP payments will be calculated by multiplying the number of head of eligible livestock or poultry by the payment rate per head, and then subtracting the amount of any payments the eligible livestock or poultry owner has received for disposal of the livestock or poultry under the Natural Resources Conservation Service (NRCS) Environmental Quality Incentives Program (EQIP) or a state program. The payments will also be reduced by any Coronavirus Food Assistance Program (CFAP 1 and 2) payments paid on the same inventory of swine that were depopulated.

There is no per person or legal entity payment limitation on PLIP payments. To be eligible for payments, a person or legal entity must have an average adjusted gross income (AGI) of less than \$900,000 for tax years 2016, 2017 and 2018.

Applying for Assistance

Eligible livestock and poultry producers can apply for PLIP starting July 20, 2021, by completing the FSA-620, Pandemic Livestock Indemnity Program application, and submitting it to any FSA county office. Additional documentation may be required. Visit farmers.gov/plip for a copy of the Notice of Funding Availability and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit farmers.gov/service-locator. Livestock and poultry producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

Biden Administration to Invest \$67 Million to Help Heirs Resolve Land Ownership and Succession Issues

U.S. Department of Agriculture (USDA) is providing \$67 million in competitive loans through the new Heirs' Property Relending Program (HPRP), which aims to help agricultural producers and landowners resolve heirs' land ownership and succession issues. Intermediary lenders -- cooperatives, credit unions, and nonprofit organizations – can apply for loans up to \$5 million at 1% interest once the Farm Service Agency (FSA) opens the two-month signup window in late August.

After FSA selects lenders, heirs can apply directly to those lenders for loans and assistance. Heirs' property issues have long been a barrier for many producers and landowners to access

USDA programs and services, and this relending program provides access to capital to help producers find a resolution to these issues.

The Heirs' Property Relending Program is another example of how USDA is working to rebuild trust with America's farmers and ranchers. HPRP is a loan and will need to be repaid as directed by the 2018 Farm Bill.

The program's benefits go far beyond its participants. It will also keep farmland in farming, protect family farm legacies and support economic viability.

Eligible Lenders

To be eligible, intermediary lenders must be certified as a community development financial institution and have experience and capability in making and servicing agricultural and commercial loans that are similar in nature.

If applications exceed the amount of available funds, those applicants with at least 10 years or more of experience with socially disadvantaged farmers that are located in states that have adopted a statute consisting of enactment or adoption of the Uniform Partition of Heirs Property Act (UPHPA) will receive first preference. A list of these states is available at farmers.gov/heirs/relending. A secondary preference tier is established for those that have applications from ultimate recipients already in process, or that have a history of successfully relending previous HPRP funds. When multiple applicants are in the same tier, or there are no applicants in tier 1 or 2, applications will be funded in order of the date the application was received.

Selected intermediary lenders will determine the rates, terms, and payment structure for loans to heirs. Interest rates will be the lowest rate sufficient for intermediaries to cover cost of operating and sustaining the loan.

Additional information for lenders, including how to apply for funding, can be found in the HPRP final rule.

Relending to Heirs

Heirs may use the loans to resolve title issues by financing the purchase or consolidation of property interests and financing costs associated with a succession plan. This may also include costs and fees associated with buying out fractional interests of other heirs in jointly-owned property to clear the title, as well as closing costs, appraisals, title searches, surveys, preparing documents, mediation, and legal services.

Heirs may not use loans for any land improvement, development purpose, acquisition or repair of buildings, acquisition of personal property, payment of operating costs, payment of finders' fees, or similar costs.

Intermediary lenders will make loans to heirs who:

- Are individuals or legal entities with authority to incur the debt and to resolve ownership and succession of a farm owned by multiple owners;
- Are a family member or heir-at-law related by blood or marriage to the previous owner of the property;

Agree to complete a succession plan.

More information on how heirs can borrow from lenders under HPRP will be available in the coming months.

More Information

Heirs' property is a legal term that refers to family land inherited without a will or legal documentation of ownership. It has historically been challenging for heirs to benefit from USDA programs because of the belief that they cannot get a farm number without proof of ownership or control of land. However, FSA provides alternative options that allow an heir to obtain a farm number. In states that have adopted the UPHPA, producers may provide specific documents to receive a farm number. To learn more about heirs property, HPRP, or UPHPA, visit farmers.gov/heirs/relending.

USDA Announces Dates for Conservation Reserve Program Grasslands Signups

Agricultural producers and landowners in Alaska can apply for the <u>Conservation Reserve</u> <u>Program</u> (CRP) Grasslands signup from today until August 20. This year, the U.S. Department of Agriculture (USDA) updated signup options to provide greater incentives for producers and increased the program's conservation and climate benefits, including setting a minimum rental rate and identifying two national priority zones.

The CRP Grassland signup is competitive, and USDA's Farm Service Agency (FSA) will provide for annual rental payments for land devoted to conservation purposes.

Grasslands Signup

CRP Grasslands helps Alaska landowners and operators protect grassland, including rangeland, and pastureland and certain other lands, while maintaining the areas as working grazing lands. Protecting grasslands contributes positively to the economy of many regions, provides biodiversity of plant and animal populations, and provides important carbon sequestration benefits.

FSA has updated the Grasslands Signup to establish a minimum rental rate of \$15 per acre, which will benefit 1.300 counties.

To focus on important wildlife corridors, FSA also identified National Grassland Priority Zones, providing extra incentives to producers for enrolling grasslands in important migratory corridors and environmentally sensitive areas – the Greater Yellowstone Elk Migration Corridor and the Severe Wind Erosion – Dust Bowl Zone. Counties within these two zones get extra ranking points as well as \$5 added to their rental rate. The CRP Grasslands Ranking Factors fact sheet has additional information.

How to Sign Up

To enroll in the CRP Grasslands signup, producers and landowners should contact USDA by the August 20 deadline. Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, some USDA Service Centers are open to limited visitors. Contact your <u>Service Center</u> to set up an in-person or phone appointment. Additionally, more information related to USDA's response and relief for producers can be found at <u>farmers.gov/coronavirus</u>.

More Information on CRP

Signed into law in 1985, CRP is one of the largest voluntary 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 marked its 35-year anniversary this past December.

Applying for FSA Direct Loans

FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain, or strengthen their farm or ranch. Direct loans are processed, approved and serviced by FSA loan officers.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance, and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

Borrower Training for Farm Loan Customers

Borrower training is available for all Farm Service Agency (FSA) customers. This training is required for all direct loan applicants, unless the applicant has a waiver issued by the agency.

Borrower training includes instruction in production and financial management. The purpose is to help the applicants develop and improve skills that are necessary to successfully operate a farm and build equity in the operation. It aims to help the producer become financially successful. Borrower training is provided, for a fee, by agency approved vendors. Contact your local FSA Farm Loan Manager for a list of approved vendors.

Persons with disabilities who require accommodations to attend or participate in these meetings and/or events should contact the Northern County FSA Service Center, at (907) 895-4242, ext. 150, Southern County FSA Service Center, at (907) 761-7754 or Federal Relay Service at 1-800-877-8339.

Alaska State Farm Service Agency

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Delta Junction, AK 99737 Palmer, AK 99645

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Fax: 855-711-9095 Fax: 907-761-7789

Hours: County Committee Meetings

Monday-Friday 8:00 a.m. - 4:30 p.m. Northern Co TBA

www.fsa.usda.gov/ak Southern Co September 14, 10 a.m.