



Farm Service Agency Electronic News Service

NEWSLETTER

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Florida FSA Newsletter

Florida Farm Service Agency

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Message from the SED

Greetings Florida Farmers and Ranchers!

We know farmers are resilient and the Farm Service Agency in Florida 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 April 17, U.S. Secretary of Agriculture Sonny Perdue announced the Coronavirus Food Assistance Program (CFAP). This \$19 billion immediate relief program will provide critical support to farmers and ranchers and maintain the integrity of our food supply chain, and ensure every American continues to receive and have access to the food they need. CFAP will use the funding and authorities provided in the Coronavirus Aid, Relief, and Economic Security Act (CARES), the Families First Coronavirus Response Act (FFCRA), and other USDA existing authorities. The program includes two major elements to achieve these goals, including direct support to farmers and ranchers and USDA purchase and distribution. Learn more.

Division Chiefs:

Further details regarding eligibility, rates, and other implementation will be released at a later date.

Administrative Officer

Mark Cotrell

For the latest updates on the CFAP, and other Frequently Asked Questions, visit usda.gov/coronavirus.

Farm Program
Tom Hockert

Farm Loans Christy Marshall

Please contact your local FSA Office for questions specific to your operation or county.

Our USDA Service Centers in Florida 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 <u>farmers.gov/coronavirus</u> to keep up-todate on temporary program flexibilities available as a result of the COVID-19 pandemic.

USDA Reminds Florida Producers to Complete Crop Acreage Reports

USDA's Farm Service Agency (FSA) offices in Florida are currently open to phone and virtual appointments only but can still work with producers on timely filing crop acreage reports. FSA staff can provide assistance over the phone, by email and through virtual meetings via Microsoft Teams.

Acreage reporting dates vary by crop and by county. Contact your local FSA office for a list of acreage reporting deadlines by crop.

In order to comply with FSA program eligibility requirements, all producers must file an accurate crop acreage report by the applicable deadline. FSA staff is still able to assist producers in completing acreage reports, including providing maps.

FSA county offices in Florida will provide maps to producers through mail and email with instructions for completing the maps. After planting is complete, producers should return completed maps and the acreage reporting sheet by mail or email within 15 days of planting NAP crops or by July 15, 2020.

FSA offices are using Microsoft Teams software to virtually meet with producers to review maps and documents for certification. Producers who want to schedule a virtual appointment can download the Microsoft Teams app on their smart phones and call the FSA office for an appointment. You can also use Microsoft Teams from your personal computer without downloading software.

After completed maps and all acreage reporting information is received, FSA will make software updates and mail or email producers the completed Report of Acreage form (FSA-578) to sign. Producers must return the signed form certifying their acreage report to the FSA office through mail or email within 15 days of receipt.

The following exceptions apply to acreage reporting dates:

 If the crop has not been planted by the acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed. If a producer acquires additional acreage after the acreage reporting date, then the acreage
must be reported no later than 30 calendars days after purchase or acquiring the lease.
Appropriate documentation must be provided to the county office.

Producers should also report crop acreage they intended to plant, but due to natural disaster, were unable to plant. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and USDA's Risk Management Agency.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP-covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

If you have applied for organic certification and do not receive it before the acreage reporting deadline, you may provide the necessary documentation to FSA immediately upon receipt from the certifying agent.

For questions, please contact your local FSA office. To locate your local FSA office visit farmers.gov/service-center-locator.

USDA Announces Grants for Urban Agriculture and Innovative Production

\$3 Million Available in Grants for Urban Agriculture and Innovative Production

The U.S. Department of Agriculture (USDA) today announced the availability of \$3 million for grants through its new Office of Urban Agriculture and Innovative Production. The competitive grants will support the development of urban agriculture and innovative production projects through two categories, Planning Projects and Implementation Projects. USDA will accept applications on Grants.gov until midnight July 6, 2020.

Planning Projects

\$1 million is available for Planning Projects that initiate or expand efforts of farmers, gardeners, citizens, government officials, schools, and other stakeholders in urban areas and suburbs. Projects may target areas of food access; education; business and start-up costs for new farmers; and development of policies related to zoning and other needs of urban production.

Implementation Projects

\$2 million is available for Implementation Projects that accelerate existing and emerging models of urban, indoor, and other agricultural practices that serve multiple farmers. Projects will improve local food access and collaborate with partner organizations and may support infrastructure needs; emerging technologies; educational endeavors; and urban farming policy development.

Webinar

A webinar will be held on June 3, 2020 from 2 p.m. – 4 p.m. Eastern Daylight Time. The webinar will provide an overview of the grants' purpose, project types, eligibility, and basic requirements for the submission of an application. Information on how participate in the webinar, or listen to the recording, will be posted on the farmers.gov/urban webpage.

More Information

The Office of Urban Agriculture and Innovative Technology was established through the 2018 Farm

Applications must be submitted through Grants.gov by 11:59 p.m. Eastern Daylight Time on July 6, 2020

More information is available at farmers.gov/urban.

For more information or to apply for Urban Agriculture Innovative grants, contact your local FSA county office. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

Small Business Administration's Agricultural Assistance

The new Paycheck Protection Program and Health Care Enhancement Act provides additional resources for both the Small Business Administration's (SBA) Paycheck Protection Program (PPP) and the Economic Injury Disaster Loan (EIDL) program. Participation in SBA's PPP or EIDL program does not impact producer eligibility for USDA's forthcoming CFAP. There is no linkage between the two programs. Likewise, participation in SBA's PPP or EIDL program does not impact producer eligibility for any USDA farm program. The PPP duplicate benefit provision does not have an impact on FSA farm programs or farm loan programs.

Paycheck Protection Program

The PPP is a guaranteed loan program administered by the SBA. The purpose of the program is to support small businesses and help support their payroll during the coronavirus situation.

Agricultural producers, farmers, and ranchers with 500 or fewer employees whose principal place of residence is in the United States are eligible.

Farms are eligible if:

- the farm has 500 or less employees, OR
- it fits within the revenue-based sized standard, which is on average annual receipts of \$1M.

Additionally, farms can qualify for PPP if it meets SBA's "alternative size standard." The "alternative size standard" is currently:

- a maximum net worth of the business not more than \$15 million, AND
- the average net income Federal income taxes of the business for the two full fiscal years before the date of the application be not more than \$5 million.

Small agricultural cooperatives may receive PPP loans as long as other eligibility requirements are met. Other forms of cooperatives may be eligible provided they comply with all other Loan Program Requirements (as defined in 13 CFR 120.10).

In regard to H-2A or H-2B workers on payroll, only employees with a principal place of residence in the U.S. count toward eligibility and calculation of the PPP loan amount.

SBA requires sole proprietors, independent contractors, and other eligible self-employed individuals to provide documentation to its lender that the business was in operation as of February 15, 2020. This documentation may include payroll processor records, payroll tax filings, or Form 1099-MISC, or income and expenses from a sole proprietorship. For borrowers that do not have any such documentation, the borrower must provide other supporting documentation to its lender, such as bank records, sufficient to demonstrate the qualifying payroll amount.

Documentation options for payroll tax filings include the following:

- IRS Form 941 (quarterly wages);
- IRS Form 944 (calendar year wages);
- State income, payroll and unemployment insurance filings;
- QuickBooks;
- bank repository accounts; and/or
- internally generated profit and loss statements.

Some additional notes include:

- Nonprofit organizations must include IRS Form 990;
- Sole proprietors must include IRS Form 1040 Schedule C;
- Any entity that filed IRS Form 1099-MISC must include this form;
- Seasonal employers must document the period beginning February 15, 2019 through June 30, 2019

More extensive FAQs can be found at the Treasury Department's <u>CARES Act website</u>.

Economic Injury Disaster Loan Program

In response to the Coronavirus (COVID-19) pandemic, small business owners in all U.S. states, Washington D.C., and territories are eligible to apply for an EIDL advance of up to \$10,000 and borrow up to \$2 million. This advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. Loan advances will not have to be repaid.

SBA's EIDL application portal reopened on May 4, 2020, as a result of funding authorized by Congress through the Paycheck Protection Program and Healthcare Enhancement Act.

For the first time, agricultural enterprises are now eligible for the disaster assistance from EIDL. As a result of the unprecedented legislation, American farmers, ranchers and other agricultural businesses will now have access to emergency working capital.

These low-interest, long-term loans will help keep agricultural businesses viable while bringing stability to the nation's vitally important food supply chains.

Agricultural businesses include businesses engaged in the legal production of food and fiber, ranching, and raising of livestock, aquaculture, and all other farming and agricultural related industries (as defined by section 18(b) of the Small Business Act (15 U.S.C. 647(b)). Eligible agricultural businesses must have 500 or fewer employees.

In order to help facilitate this important change to EIDL Loan and EIDL Advance assistance eligibility, SBA is re-opening the Loan and Advance application portal to agricultural enterprises only. For agricultural producers that submitted an EIDL loan application through the streamlined application portal prior to the legislative change, SBA will move forward and process these applications without the need for re-applying. All other EIDL loan applications that were submitted prior to April 15 will be processed on a first-in, first-out basis.

For more information, visit sba.gov.

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 <u>program fact sheet</u> or the <u>2014-2018 farm bills comparison fact sheet</u>. Online ARC and PLC election decision tools are available at <u>www.fsa.usda.gov/arc-plc</u>. To locate the nearest USDA Service Center, visit <u>farmers.gov/service-center-locator</u>.

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

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 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 extralong 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.

USDA's Conservation Reserve Program Grasslands Signup

Farmers and ranchers may apply to enroll grasslands in the Conservation Reserve Program (CRP) Grasslands signup. The signup runs through May 15.

Through CRP Grasslands, participants retain the right to conduct common grazing practices, such as haying, mowing or harvesting seed from the enrolled land. Timing of some activities may be restricted by the primary nesting season of birds.

Participants will receive an annual rental payment and may receive up to 50 percent cost-share for establishing approved conservation practices. The duration of the CRP contract is either 10 or 15 years. FSA will rank applications using a number of factors including existence of expiring CRP land, threat of conversion or development, existing grassland, and predominance of native species cover, and cost.

The 2018 Farm Bill set aside 2 million acres for CRP Grassland enrollment. CRP is one of the largest conservation programs at USDA. CRP marks its 35-year anniversary in 2020 with 22 million acres currently enrolled.

For more information or to enroll in CRP Grasslands, contact your local FSA county office or visit <u>fsa.usda.gov/crp</u>. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

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

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

FSA Adds Farm Loan Flexibilities

Farm loans are critical for annual operating and family living expenses, emergency needs and cash flow, especially in tough times. The Farm Service Agency (FSA) is providing additional flexibilities

to provide producers with credit options. We encourage direct loan applicants and borrowers to contact their county office to discuss these programs and any current, and future, temporary changes to farm loan deadlines and the loan servicing options available. Customers participating in FSA's guaranteed loan programs are encouraged to contact their lender. For a full list of flexibilities, visit http://farmers.gov/coronavirus.

Dates to Remember

May 15 - USDA's Conservation Reserve Program Grasslands Signup Ends

May 25 - Holiday Observed. Offices Closed.

June 30 - Deadline to enroll in ARC and PLC for the 2020 crop year

July 6 - Urban Agriculture Innovative grants application deadline

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).