

March 2021



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## Illinois FSA Newsletter

### Illinois Farm Service Agency

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[www.fsa.usda.gov/il](http://www.fsa.usda.gov/il)

**Acting State Executive Director:**  
Dan Puccetti

**State Committee:**  
James Reed-Chairperson  
Melanie DeSutter-Member

### Message from the Acting SED

Greetings from IL FSA! As referenced in last month's closing remarks, all USDA Service Centers are open for business even though we are restricting in-person visits. I want to encourage all producers wishing to conduct business with their local Service Center to call ahead. Our program delivery staff will continue to work with all our farmers by phone, email and using online tools.

Farmers and ranchers working with USDA's Farm Service Agency can now sign and share documents online in just a few clicks. By using Box or OneSpan, producers can digitally complete business transactions without leaving their homes or agricultural operations. Both services are free, secure, and available for multiple FSA programs. If you are interested in utilizing these new tools, please contact your local Service Center.

Kirk Liefer-Member  
George Obernagel III-Member  
Troy Uphoff-Member

**Administrative Officer:**

Dan Puccetti

**Division Chiefs:**

Vicki Donaldson  
John Gehrke  
Wendy Mueller  
Randy Tillman

To find contact information for your local office go to [www.fsa.usda.gov/il](http://www.fsa.usda.gov/il)

**Check out**

<https://www.farmers.gov/> for information about ALL the programs available through your local USDA Service Center FSA and NRCS offices, including county office locations, agriculture statistics, loan interest rates and much more!

Learn about Risk Management Agency's crop insurance programs at <https://cropinsurance101.org/>

Before the calendar turns to planting season, please take some time to update your farm records. FSA is cleaning up our producer record database and needs your help. Please telephone or email your local Farm Service Agency and report any of the following:

- change of address, zip code, phone number, email address
- an incorrect name or business name on file
- changes in your farm operation, like the addition of a farm by a lease or purchase
- changes to your operation in which you reorganize to form a Trust, LLC or other legal entity

Updating these changes now will be beneficial for program integrity moving forward.

If you are considering additional on-farm storage for this year's crop, please consider FSA's Farm Storage Facility Loan Program (FSFL). The FSFL program provides low-interest financing to help you build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

I'm hoping everyone has a safe spring planting season, and please remember to report your acres to your local FSA office after you are finished planting!

Stay safe and healthy!

Dan Puccetti  
Acting State Executive Director

## FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) can help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

There are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers an option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a joint financing loan is \$600,000, and the repayment period for the loan is up to 40 years.

The operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about farm loans, contact your local County USDA Service Center for information.

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## USDA Extends General Signup for Conservation Reserve Program

The USDA is extending the Conservation Reserve Program (CRP) General Signup period, which had previously been announced as ending on February 12, 2021. USDA will continue to accept offers as it takes this opportunity for the incoming Administration to evaluate ways to increase enrollment. Under the previous Administration, incentives and rental payment rates were reduced resulting in an enrollment shortfall of over 4 million acres. The program, administered by USDA's Farm Service Agency (FSA), provides annual rental payments for 10 to 15 years for land devoted to conservation purposes, as well as other types of payments. Before the General CRP Signup period ends, producers will have the opportunity to adjust or resubmit their offers to take advantage of planned improvements to the program.

This signup for CRP gives producers an opportunity to enroll land for the first time or re-enroll land under existing contracts that will be expiring September 30, 2021. All interested producers, including those on Indian reservations and with trust lands, are encouraged to contact their local [USDA Service Center](#) for more information.

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## Noninsured Crop Coverage Helps Producers Manage Risks

The Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) helps you manage risk through coverage for both crop losses and crop planting that was prevented due to natural disasters. The eligible or "noninsured" crops include agricultural commodities not covered by federal crop insurance.

*You must be enrolled in the program and have purchased coverage for the eligible crop in the crop year in which the loss incurred to receive program benefits following a qualifying natural disaster.*

### **NAP Buy-Up Coverage Option**

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. Buy-up levels of NAP coverage are available if the producer can show at least one year of previously successfully growing the crop for which coverage is being requested.

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.

Buy-up coverage is not available for crops intended for grazing.

### **NAP Service Fees**

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.

## NAP Enhancements for Qualified Military Veterans

Qualified veteran farmers or ranchers are eligible for a service fee waiver and premium reduction, if the NAP applicant meets certain eligibility criteria.

Beginning, limited resource and targeted underserved farmers or ranchers remain eligible for a waiver of NAP service fees and premium reduction when they file form CCC-860, "*Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification*."

For NAP application, eligibility and related program information, contact your local County USDA Service Center or visit <http://offices.usda.gov>.

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## Successful Conservation Cropping Seminars for 2021

This year's virtual Conservation Cropping Seminars were a roaring success. Although the in-person events couldn't be held, virtual meetings were developed and based on survey feedback, attendance was very good. This was the 8th year for holding the event and estimates are that 724 people attended all three seminars. Keynote speakers included Dr. Nic Jelinski from University of Minnesota, Ray Archuleta, and Dr. Joel Gruver from Western Illinois University.

Most registrants were from the US and Illinois, but a surprising number of participants joined in from other states and there were several visitors from other countries—something which doesn't happen often at regular seminars.

Primary topics include cover crops, soil health, nutrient management, conservation tillage, and benefits of using conservation systems. Personal testimonials and stories from Illinois farmers are always part of the seminars so farmers can hear from professionals, researchers, and real-life farmers. 41% of survey respondents indicated they planned to use more soil health related practices and management activities on their operations in the future.

What conservation partners are involved in the Conservation Cropping Seminars? Just a few: Illinois Department of Agriculture, USDA's Natural Resources Conservation Service, American Farmland Trust, the Illinois Stewardship Alliance, Illinois Environmental Protection Agency, University of Illinois Extension, and local Soil and Water Conservation Districts.

If you were unable to participate in the LIVE events, you can still benefit from hearing the speakers and presentations on your next rainy day. Just visit [https://www.youtube.com/playlist?list=PLIq7XIT0e3ali-tWzx08L1C\\_dMW3eMeAM..](https://www.youtube.com/playlist?list=PLIq7XIT0e3ali-tWzx08L1C_dMW3eMeAM..)

Plans will be underway soon for the 2022 seminars!

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## USDA Extends Flexibilities Amid Continuing COVID-19 Pandemic

USDA's Risk Management Agency is extending crop insurance flexibilities for you amid the COVID-19 pandemic. Specifically, relief provided for electronic notifications and signatures is extended through July 15, 2021; organic certification, replant self-certification and assignment of indemnity are extended through June 30, 2021.

RMA is also allowing Approved Insurance Providers (AIPs) further flexibilities for production reporting, submitting written agreement requests and obtaining producer signatures for written agreement offers. Producer signatures for written agreement offers, issued by RMA on or before June 30, 2021, with an expiration date on or before July 30, 2021, will allow producer signatures to be accepted after the expiration date with proper self-certification or documentation. However, all documentation and signatures for these offers must be completed no later than August 2, 2021.

AIPs also have 30 business days to submit written agreement requests and applicable documentation for requests with submission deadlines prior to July 1, 2021.

For more information about these and other flexibilities, please refer to Manager's Bulletin MGR 20-030, RMA's Frequently Asked Questions, contact your crop insurance agent or visit [farmers.gov/coronavirus](http://farmers.gov/coronavirus).

## **USDA Fruit, Vegetable and Wild Rice Planting Rules Unchanged in 2018 Farm Bill**

Fruit, vegetable and wild rice producers will continue to follow the same rules for certain Farm Service Agency (FSA) programs.

If you intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs, you are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acre-for-acre payment reduction when those crops are planted on more than 15 percent of the base acres of an ARC enrolled farm using the county coverage or PLC, or more than 35 percent of the base acres of an ARC enrolled farm using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA's Commodity Credit Corporation.

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## 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.

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## USDA Offers New Forest Management Incentive for Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is making available \$12 million for use in making payments to forest landowners with land enrolled in the Conservation Reserve Program (CRP) in exchange for their implementing healthy forest management practices. Existing CRP participants can now sign up for the Forest Management Incentive (FMI), which provides financial incentives to landowners with land in CRP to encourage proper tree thinning and other practices.

Right now, less than 10% of land currently enrolled in CRP is dedicated to forestland. But, these nearly 2 million acres of CRP forestland, if properly managed, can have enormous benefits for natural resources by reducing soil erosion, protecting water quality, increasing water quantity, and diversifying local farm operations and rural economies.

Only landowners and agricultural producers with active CRP contracts involving forest cover can enroll. However, this does not include active CRP contracts that expire within two years. Existing CRP participants interested in tree thinning and prescribed burning must comply with the standards and specifications established in their CRP contract.

CRP participants will receive the incentive payment once tree thinning and/or other authorized forest management practices are completed.

The incentive payment is the lower of:

- The actual cost of completing the practice; or
- 75% of the payment rate offered by USDA's Natural Resources Conservation Service (NRCS) if
- the practice is offered through NRCS conservation programs.

CRP signup is currently open. FSA will announce deadline later this year. Interested producers should contact their [FSA county office](#).

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## Applying for Youth Loans

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

### Youth Loan Eligibility Requirements:

1. Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
2. Be 10 years to 20 years of age
3. Comply with FSA's general eligibility requirements
4. Be unable to get a loan from other sources
5. Conduct a modest income-producing project in a supervised program of work as outlined above
6. Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor

The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

For help preparing the application forms, contact your local County USDA Service Center or visit <http://offices.usda.gov>.

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## USDA Encourages Completion of Cash Rents and Leases Survey

You may have received a *Cash Rents and Leases* survey from the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS). This survey provides the basis for estimates of the current year's cash rents paid for irrigated cropland, non-irrigated cropland, and permanent pasture. Please complete your Cash Rents and Leases survey by June 21, 2021. This survey can be completed and returned by mail, over the phone, or at [agcounts.usda.gov](http://agcounts.usda.gov).

Information from this survey is used in the Farm Service Agency (FSA) Conservation Reserve Program (CRP) as an alternative soil rental rate prior to finalizing new rates each year. Survey responses from as many localities as possible help calculate more accurate rental rates. Completion of the survey ensures cash rental rates accurately represent your locality. Survey results will also give you a useful tool in negotiating your rental agreements, and financial planning for your agricultural operation.

In accordance with federal law, survey responses are kept confidential. Survey results will be available in aggregate form only to ensure that no individual producer or operation can be identified. NASS will publish the survey results on August 27, 2021 at [quickstats.nass.usda.gov/](https://quickstats.nass.usda.gov/).

If you have any questions about this survey, please call 888-424-7828, or visit: [https://www.nass.usda.gov/Surveys/Guide to NASS Surveys/Cash Rents by County/index.php](https://www.nass.usda.gov/Surveys/Guide%20to%20NASS%20Surveys/Cash%20Rents%20by%20County/index.php)

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## Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$50,000 can be secured by a promissory note/security agreement and loans between \$50,000 and \$100,000 may require additional security. Loans exceeding \$100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit [www.fsa.usda.gov/pricesupport](https://www.fsa.usda.gov/pricesupport) or contact your local FSA county office.

To find your local FSA county office, visit [http://offices.usda.gov](https://offices.usda.gov).

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## Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

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## Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

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## Watch Your Local Newspaper for NRCS Program Announcements

Staff at the Illinois Natural Resources Conservation Service are pulling together final announcements and information on applications and sign-up opportunities for programs, namely the Conservation Stewardship Program. Whether you are interested in applying for programs for the first time or you are considering renewing your contract, keep an eye out for details and deadlines. Spring is almost here and there's a lot to get done, but be sure you're in business with all the conservation programs, technical, and financial assistance you'll need in 2021 and beyond. You can always check the Illinois NRCS Newsroom website so you are always up-to-date on all the information you need! Visit [www.il.nrcs.usda.gov](http://www.il.nrcs.usda.gov) and bookmark the Newsroom today.

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## March Interest Rates and Important Dates

Selected Interest Rates for March 2021		Dates to Remember	
Farm Operating Loans — Direct	1.375%	March 31	Final date to request 2020 crop wheat MAL
Farm Ownership-Direct	2.750%	April 9	Quality Loss Assistance Program Signup Ends
Farm Ownership Loans — Direct, Joint Financing	2.500%	May 31	Final date to request crop corn, soybean and sorghum MAL
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500%	June 21	Last date to complete the NASS cash rents and leases survey
Emergency Loans	2.375%	Ongoing	Sign-up for FSA text messages from your local county office
Farm Storage Facility Loans (3 years)	0.250%	Ongoing	Farm Storage Facility Loans sign-up
Farm Storage Facility Loans (5 years)	0.500%	Ongoing	Marketing Assistance Loans Sign Up
Farm Storage Facility Loans (7 years)	0.875%	Ongoing	Continuous CRP Sign Up
Farm Storage Facility Loans (10 years)	1.125%	Ongoing	Update Your Farm Records
Farm Storage Facility Loans (12 years)	1.375%		
Commodity Loans	1.125%		

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).